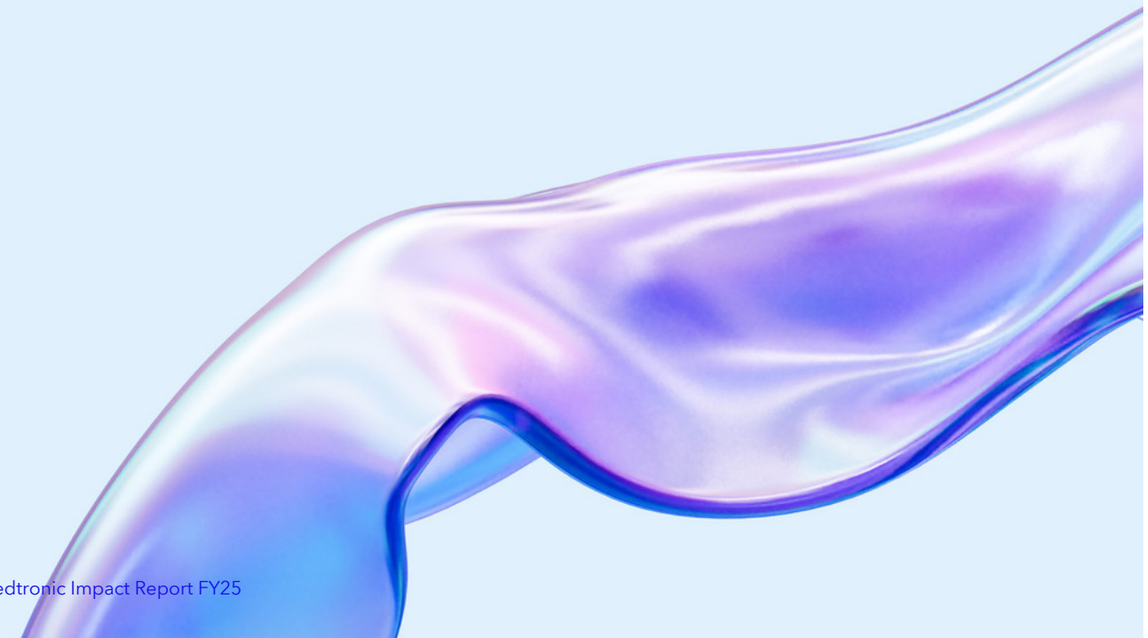
Unlocking the future of health

FY25 Impact Report

Medtronic

Welcome to our 2025 Impact Report. As we strive to tackle the world's most challenging health problems, we are harnessing the power of AI and robotics to create patient-centric products and solutions, while recognizing that our collective health also depends on the health of our planet.



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About this report

This document reflects our key business, economic, environmental, social, and governance impact topics[1] and has been prepared in alignment with leading reporting frameworks and standards. Unless otherwise stated, all performance reporting represents an organizational scope of 100% of our global workforce and global operating locations covering our fiscal year 2025 (FY25), which was April 27, 2024, through April 25, 2025. Learn more about the information presented in this report, including forward-looking statements, in About this report.

FY25 in numbers

Our Impact Data Hub contains multiple years of data, and our Impact Reporting page contains supplemental reports on common disclosures, including the CDP Corporate Questionnaire, Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), Task Force on Climate-related Financial Disclosures (TCFD), and other related mandatory and voluntary reporting efforts.

A dialogue between our CEO and a patient

Anthony Hamilton, Grammy Award-winning singer-songwriter and GI Genius™ patient, speaks to Medtronic CEO, Geoff Martha, about artificial intelligence (AI) and how innovative healthcare is improving lives for patients everywhere.

Anthony: I'm an artist and a father. I'm lucky to do what I love and take care of the people I love, but I can only do it if I'm healthy. That's what motivates me – what motivates you?

Geoff: My motivation always comes back to our Mission – to alleviate pain, restore health, and extend life. Our ability to improve people's health is fueled by cutting-edge innovations that can truly define the future of healthcare. I want to make our Mission a reality for even more people by leveraging these technologies to expand access to healthcare, and help people manage chronic conditions, just as you experienced with GI Genius™.

Anthony: I've been managing GI issues almost as long as I've been working in the music industry. Medtronic GI Genius™ detected polyps my doctor could have missed. How is Medtronic innovating to help patients get ahead of other serious conditions?

Geoff: GI Genius™, which uses AI to help doctors find polyps during colonoscopies, is a great example of how we're using technology to help people get ahead of health issues. This technology allows for earlier detection and treatment. We're investing in trailblazing research in fields like AI, robotics, advanced computing and sensors, and regenerative medicine that will help patients live their lives to their fullest.

Anthony: I use technology all the time and in making my music. But my colonoscopies made me realize how technology can be used to improve health. What are you doing to get your technology to more people around the world?

Geoff: By combining healthcare technology and strong partnerships, we can help expand healthcare access. It's why we partner with governments, non-governmental organizations (NGOs), and local providers to strengthen health systems and provide transformative care for underserved populations. Our goal is to ensure innovations like GI Genius™ aren't just available, but accessible to people everywhere.

Anthony: My experience with GI Genius™ showed me how AI can take healthcare to the next level. How is Medtronic using AI to improve people's lives?

Geoff: We're using AI to provide patients with healthcare that is more precise and more personalized. From AI-guided surgery to early disease detection, AI is advancing healthcare in ways that will significantly improve people's lives.

Anthony: One thing I love about what I do is seeing how music moves people. As you look ahead, what excites you about the impact that Medtronic can have on people?

Geoff: I'm incredibly excited by the remarkable work we do – inventing new therapies and creating entirely new markets. This pioneering spirit has driven us for over 75 years and continues to shape our future. From the battery-powered pacemaker to today's breakthroughs in atrial fibrillation, hypertension, and neurodegenerative disease, we're not just innovating technology – we're setting new standards of care. That's what makes Medtronic unique. We're advancing medical technology and improving millions of lives. It's truly energizing to be a pioneer.

Anthony Hamilton
Grammy Award-winning singer-songwriter

Geoff Martha
Chairman and Chief Executive Officer, Medtronic

The heart of Medtronic

Powered by our diverse knowledge, insatiable curiosity, and desire to help all those who need it, we are advancing healthcare for people everywhere. Our technologies transform the lives of two people every second, every hour, of every day.[2]

Who we are

We are leaders in global healthcare technology and boldly tackle the most challenging health problems facing humanity by designing, innovating, and finding new solutions.

What we do

We combine a deep understanding of human biology with advanced computing technologies to develop products, therapies, treatments, solutions, and services that redefine health outcomes for 70+ health conditions. In the face of new and evolving challenges and a desire to expand access to all, we commit to continue:

- Creating life-transforming technology
- Empowering patient-centric, insight-driven care
- Providing experiences that put people first

Our global business structure

Our corporate structure is organized across three portfolios: Cardiovascular, Medical Surgical, and Neuroscience – alongside our Diabetes business.[3] Each portfolio comprises various businesses that specialize in specific disease states or physician specialties. They drive development of new therapies and solutions, streamlining decisions and promoting innovation. Our business presidents oversee the work of each business, and across each team, passionate employees work together to:

- **Accelerate innovation-driven growth** by delivering technology and services that better address patient needs
- **Harness the power of artificial intelligence (AI)** to transform data in clinical insights, allowing us to tailor therapies in real time, facilitate remote monitoring and care delivery, and bring robotics and automation to more surgical suites globally
- **Create better experiences for patients, customers, and employees** by listening closely to understand challenges and using those insights to shape solutions
- **Bring our technologies to emerging markets** by providing targeted support with regional autonomy to respond quickly to local needs

FY25 revenue by reporting segment[4]

U.S. $ billions

Cardiovascular

$12.5B

- Cardiac Rhythm Management
- Cardiac Ablation Solutions
- Structural Heart and Aortic
- Cardiac Surgery
- Coronary and Renal Denervation
- Peripheral Vascular Health

Diabetes[5]

$2.8B

Neuroscience

$9.8B

- Cranial and Spinal Technologies
- Neurovascular
- Ear, Nose, and Throat (ENT)
- Pelvic Health
- Neuromodulation

Medical Surgical

$8.4B

- Surgical
- Endoscopy
- Acute Care and Monitoring

Continuing our progress

Throughout FY25, we have expanded access to care, developed groundbreaking product innovations, and made progress toward our environmental impact goals.

Overview

79M+
patients served

$2.7B
research & development (R&D) investments

41K+
patents (issued and pending)

Patients

83%
of employees agree Medtronic puts patients first

34%
reduction in aggregate product complaint rate

200+
product approvals in major geographies[6]

People

$64M
spent on learning and development

$103M
in cash contributions and grants, product donations, and employee volunteering and giving

100%
gender and ethnically diverse pay equity in the U.S.

Planet

60%
reduction in Scope 1 and 2 intensity[7] compared to FY20

62%
of electricity sourced from renewable energy sources

20%
reduction in operational energy use intensity, compared to FY20

Recognition in FY25

Among Ethisphere's World's Most Ethical Companies™* for the third time

Included on Fast Company's Best Workplaces for Innovators list

Named among Fortune's Most Admired Companies

Recognized as an Industry Leader among America's Most JUST Companies

Named to the Dow Jones Sustainability North America Index for 15 consecutive years

Recognized by S&P Global Sustainable1 for a top 5% score in the 2024 Corporate Sustainability Assessment (CSA), listed on the Dow Jones Sustainability World and North America Indices

Received validation from the Science Based Targets initiative (SBTi) of Scope 1, 2, and 3 near-term emissions reduction targets

The Medtronic Mission

Our global team of 95,000+ passionate people is united by our Mission to alleviate pain, restore health, and extend life. We are inspired, guided, and defined by six interrelated tenets.

1

To contribute to human welfare by application of biomedical engineering in the research, design, manufacture, and sale of instruments or appliances that alleviate pain, restore health, and extend life.

2

To direct our growth in the areas of biomedical engineering where we display maximum strength and ability; to gather people and facilities that tend to augment these areas; to continuously build on these areas through education and knowledge assimilation; to avoid participation in areas where we cannot make unique and worthy contributions.

3

To strive without reserve for the greatest possible reliability and quality in our products; to be the unsurpassed standard of comparison; and to be recognized as a company of dedication, honesty, integrity, and service.

4

To make a fair profit on current operations to meet our obligations, sustain our growth, and reach our goals.

5

To recognize the personal worth of all employees by providing an employment framework that allows personal satisfaction in work accomplished, security, advancement opportunity, and means to share in the company's success.

6

To maintain good citizenship as a company.

Our impact strategy

We believe that we make a lasting impact when we enable healthy lives full of extraordinary moments for everyone, regardless of who or where they are.

Patients

From product design to trial development to regulatory approvals and market release, we engage the people who use our products. By leveraging a patient-centric mindset, a spirit of continuous innovation, and strategic industry partnerships, we strive to tackle barriers to healthcare access for everyone, everywhere.

People

We have greater impact when everyone is heard. Our ideas are bolder and brighter when our teams are inclusive, reflecting the global communities we serve. By nurturing a sense of community and removing barriers to health and well-being, we accelerate creativity, innovation, and performance.

Planet

Climate change affects everyone, everywhere. Our health depends on a healthy planet, so we strive to conserve resources, minimize waste, and reduce emissions across our global operations and throughout our supply chain. By doing so, we grow with greater resiliency and deliver for our customers, investors, and employees.

Responsible business

Our commitment to delivering results the right way is underpinned by a robust governance structure and the highest ethical standards. By empowering our people to act with the highest standards of integrity, we minimize our exposure to risks, protect the interests of patients, give investors confidence, and strengthen our stakeholder relationships.

Developing our impact strategy

The Medtronic impact strategy is designed to help us realize our Mission, strengthen our resilience, and deliver durable value by addressing the topics of greatest importance to our business and stakeholders. Key areas for positive impact identified by our stakeholders are:

- **Put safety first:** Patient safety and product quality
- **Expand access:** Access to and availability of healthcare
- **Enhance the industry:** Innovation of products, devices, and technology
- **Protect privacy:** Security of products, devices, data, and information
- **Preserve the environment:** Designing for circularity and life cycle impact of products

Annually, we reassess and review our approach to ensure it retains relevance, scope, and scale — a process that is informed by continuous monitoring of what our stakeholders expect. To measure progress, our executive leaders also set company-wide performance objectives for each area and collaborate across the company to drive continuous improvement.

Identifying our most material issues

In FY25, we completed our first comprehensive double materiality assessment, marking an important step toward alignment with the European Union (E.U.) Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS).

Through the assessment, we identified and prioritized the most salient issues to our business, considering both impact materiality and financial materiality. The process included:

- Developing a double materiality matrix highlighting priority topics
- Identifying a comprehensive set of sustainability-related impacts, risks, and opportunities that are integrated into our enterprise risk management (ERM) processes
- Reviewing and aligning the assessment outcomes with senior management and the board of directors' Audit and Nominating & Corporate Governance Committees

To maintain decision-useful and stakeholder-relevant disclosures, we intend to establish an annual review process for our double materiality assessment. This will include a structured approach to stakeholder engagement to ensure we align with evolving expectations.

The E.U.'s Omnibus Simplification Package (2025) has extended our reporting timeline to FY28, which provides us with additional time to enhance our reporting systems, controls, and governance mechanisms to ensure high-quality, assurable disclosures.

Stakeholder engagement

We know that greater progress comes from collaboration and forming new, lasting partnerships. We engage with a wide range of stakeholders, partners, and peers to amplify our impact and support progress toward our goals. See our other disclosures to learn about our stakeholder engagement approach, activities, and performance.

Aligning with the Sustainable Development Goals (SDGs)

Medtronic is committed to the tenets of sustainable growth and development as outlined in the UN SDGs. We have identified — and aligned our business with — the ten SDGs through which we believe we can have the most significant impact.

Learn more about how our key sustainability issues align with the SDGs on our Impact webpage.

"Our commitment is clear: to achieve meaningful outcomes for patients by doing what's right. We strive to foster a culture of integrity, safeguard those we serve, earn investor trust, and build lasting partnerships."

Tara Shewchuk, Chief Privacy, Integrity, & Compliance Officer

Impact targets and progress

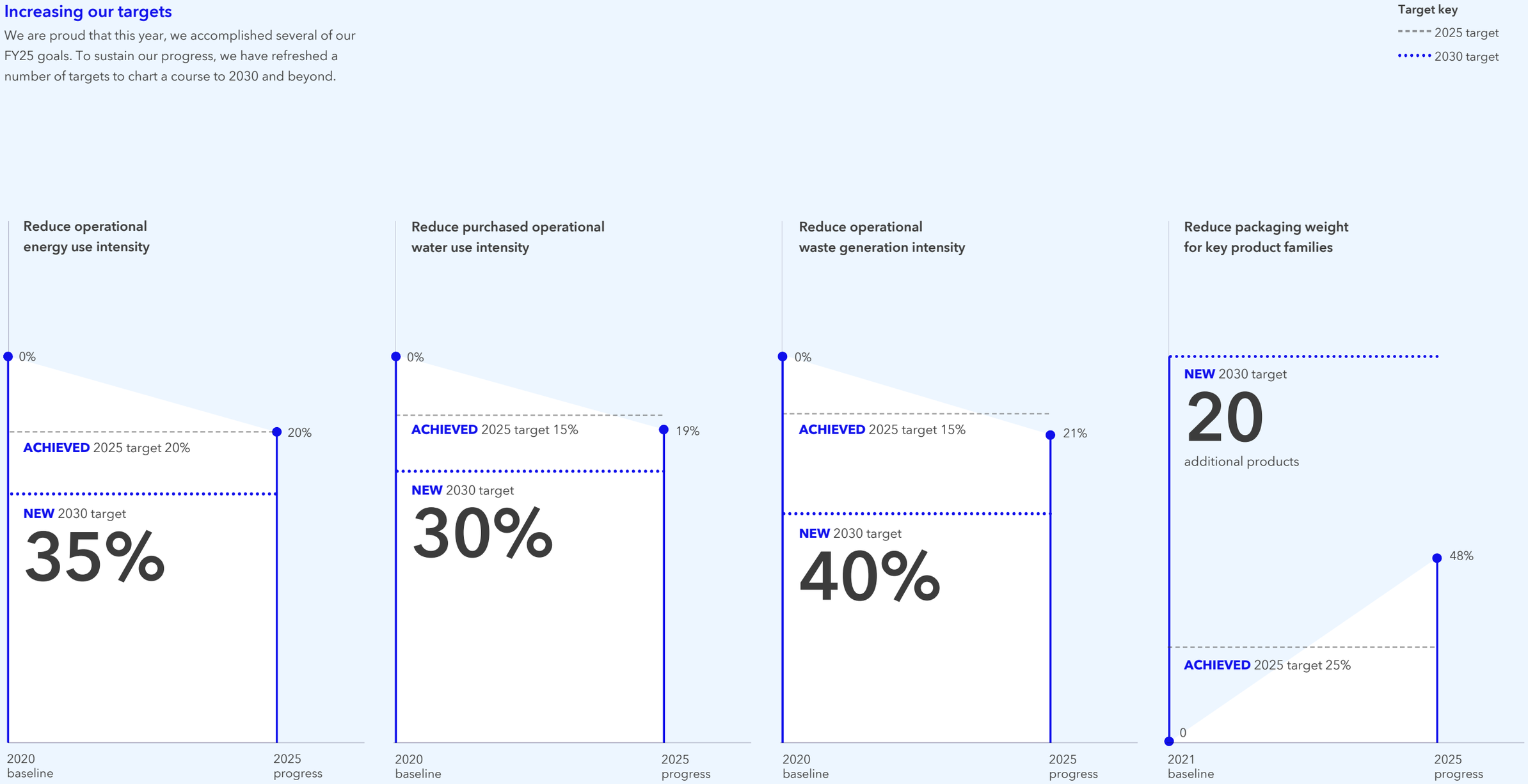
Progress indicator key
- Achieved
- In progress

Guided by our impact strategy and backed by robust governance, we prioritize transparency, accountability, and partnerships as we track and share our journey.

Key issue	Target	Baseline date	End date	FY25 status	
Product innovation	Maintain 20% flow of revenue from products and therapies released in the prior 36 months	N/A	N/A	21%	✓
Access and affordability	Serve 79M patients annually	N/A	FY25	79M+	✓
	RAISED GOAL to 82M	N/A	FY26	79M+	…
Patient safety and product quality	Reduce aggregate product complaint rate by 10% for identified product families	FY20	FY25	34%	✓
GHG emissions, energy, water, and waste	Achieve net carbon neutrality across our operations (Scope 1 and 2)	FY20	FY30	52%	…
	Reduce Scope 1 and 2 GHG emissions intensity[7] by 50%	FY20	FY25	60%	✓
	Reduce absolute Scope 1 and 2 GHG emissions by 52%	FY20	FY30	35%	…
	Reduce absolute Scope 3 GHG emissions (cat. 4, 6, and 12) by 37.5%	FY24	FY34	–%	…
	Commit that 75% of suppliers by emissions (Scope 3 cat. 1 and 2) will have science-based targets	FY24	FY30	10%	…
	Reduce operational energy use intensity by 20%	FY20	FY25	20%	✓
	RAISED GOAL to 35%	FY20	FY30	20%	…
	Source 100% of electricity from renewables	FY20	FY30	62%	…
	Source 50% of energy from renewable and alternative sources	FY20	FY25	50%	✓
	Reduce purchased operational water use intensity by 15%	FY20	FY25	19%	✓
	RAISED GOAL to 30%	FY20	FY30	19%	…
	Reduce operational waste generation intensity by 15%	FY20	FY25	21%	✓
	RAISED GOAL to 40%	FY20	FY30	21%	…
Product and packaging life cycle and circularity	Reduce packaging weight by 25% for four high-volume product families	FY21	FY25	48%	✓
	RAISED GOAL to 20 additional products	FY21	FY30	~10%	…
	Reduce impact of paper instructions for use (IFUs) by elimination of 2,500 tonnes	FY21	FY30	~15%	…
	Complete life cycle assessments (LCAs) for at least 50% of major commercialized products	FY21	FY30	~10%	…
	Integrate circularity and eco-design criteria into the New Product Development process	FY21	FY30	~20%	…

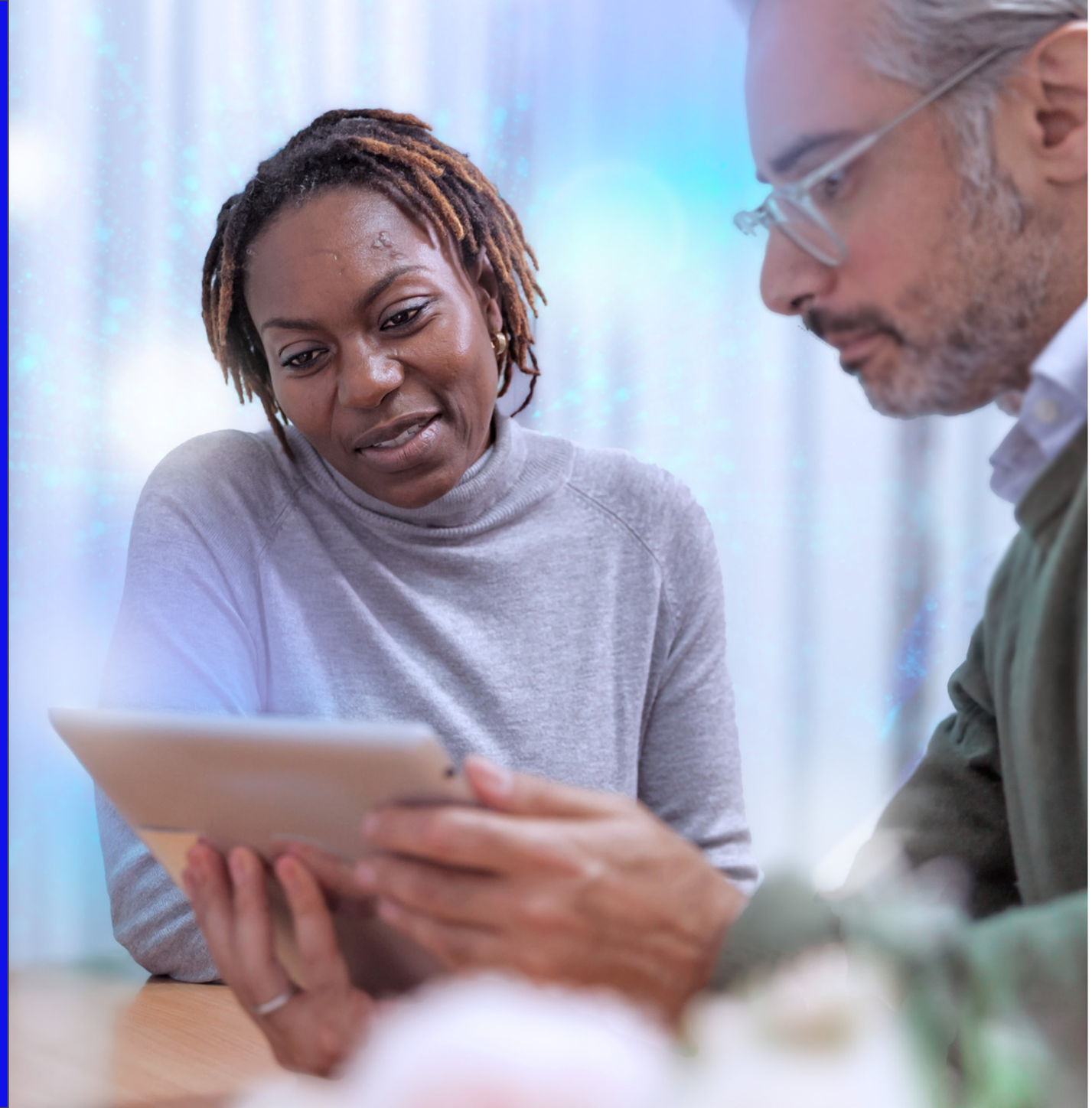
Increasing our targets

We are proud that this year, we accomplished several of our FY25 goals. To sustain our progress, we have refreshed a number of targets to chart a course to 2030 and beyond.



Patients

At Medtronic, patients are the reason we innovate. We design with care, engineer with precision, and partner widely to develop and deploy advanced technologies that improve lives. Guided by the Medtronic Mission, we are transforming the patient experience – making it more personalized, connected, and accessible.



Through the lens

A look at transforming a patient's life for good

Dalida Rohmann, a Medtronic product coordinator in the Netherlands and InterStim™ patient, speaks to Laura Mauri, Medtronic Chief Scientific and Medical Officer, about how the company's devices are transforming lives around the world, starting with Dalida herself.

Dalida: Following surgical complications, a Medtronic device helped me regain control of my life after months of uncertainty and being stuck at home. What motivates Medtronic to put patients like me first?

Laura: Inspiring stories like yours are why patients are at the core of everything we do. We're able to offer solutions that make transformative impacts on real lives, driving us to create more solutions to address challenging conditions and gaps in care. We actively listen to patients like you for your knowledge and insights, incorporating your perspectives across the entire product life cycle – from research and development to follow-up care with patients. By truly collaborating with patients and listening to their experiences, we're better at addressing unique needs and improving outcomes.

Laura: You became a Medtronic employee several years after receiving your first Medtronic device in 2013. What part of your patient experience inspired you to join the team?

Dalida: As a patient, I experienced the Medtronic Mission firsthand – it's such an impactful purpose that I was drawn to contribute to it. My InterStim™ device was life changing, giving back my freedom and confidence, so joining the team felt like a natural step. It combined my personal journey with a professional Mission to alleviate pain, restore health, and extend life, just as I experienced.

Dalida: One of the most challenging aspects of my patient experience was not being taken seriously about my post-op complications. How is Medtronic working with healthcare providers to amplify patient voices, particularly women's voices?

Laura: Patients guide everything we do, shaping our approach to merge scientific insight with advanced technology to develop solutions that profoundly impact lives. We collaborate with providers to foster open communication, integrate patient feedback, and create systems that prioritize listening to patients' perspectives. By leveraging cutting-edge technologies and conducting intentional, representative research, we can address gender disparities – for example, through the SMART trial, which has helped address a lack of research on heart disease in women by comparing two leading devices used in the treatment of severe aortic stenosis. Together, we're delivering innovative, patient-centered solutions that empower all patients to feel seen, valued, and supported.

Laura: Since joining Medtronic, how have you brought our Mission to life and what patient-centric work are you most proud of?

Dalida: Discussing bladder issues is still taboo, but I'm proud to have spoken up, even if it only helps break that taboo a little. It started with sharing my story to colleagues and later on at the annual Medtronic Patient Event. For many – especially younger – team members, the concept of "the patient" can feel quite abstract. My story demonstrates that anyone can become a patient and that breaking the taboo is a key part of transforming lives.

Dalida: In 2024, my original device was replaced by the newer version with a longer battery life. I've become bolder in sharing my story and raising awareness since the replacement. How is Medtronic innovating to provide patients with better support and more confidence?

Laura: For us, innovation goes beyond creating life-changing devices – it's about empowering our patients throughout their health journey and bringing healthcare solutions to more people in more places. We do that by staying grounded in medical science alongside rigorous research and clinical testing to ensure innovations are safe, effective, and address a broad array of health needs. We're also leveraging emerging technologies like AI and robotics to provide personalized and predictive treatments that are faster and more precise. From less-invasive surgery to the world's smallest pacemaker, we're innovating with speed to keep patients at the center of their care.

"My InterStim™ device was life-changing, giving back my freedom and confidence, so joining the team felt like a natural step. It combined my personal journey with a professional Mission to alleviate pain, restore health, and extend life, just as I experienced."

Dalida Rohmann
Coordinator in Medtronic Packaging & Customizing Neuro and Diabetes department in Heerlen, the Netherlands, and InterStim™ patient

Laura Mauri, MD
Senior Vice President and Medtronic Chief Scientific and Medical Officer. She leads the global company's scientific, medical, clinical research and regulatory affairs functions and is a member of the Medtronic Executive Committee.

Moving healthcare forward

Through innovative design and by harnessing the latest developments in AI, data, and robotic-assisted surgery (RAS), we are creating new possibilities in healthcare.

Advancing healthcare technology

We invest in cutting-edge technologies that drive health access and deliver life-transforming care. Our approach includes: emerging technologies like advanced computing and sensor innovations; evolving trends in regenerative medicine, 3D printing, sustainable materials, and new power sources; and new applications for robotics, data analytics, and AI.

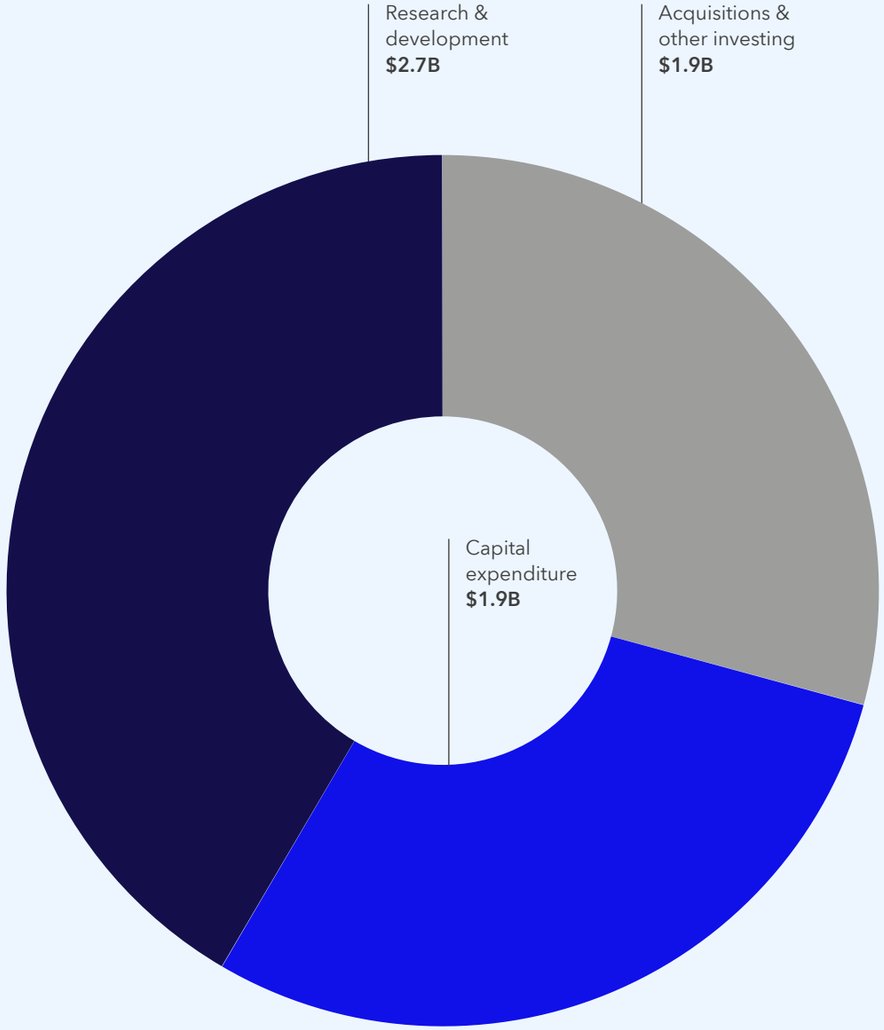
We aim to expand R&D in line with or above revenue growth, focusing our investments in our highest-growth opportunities. In FY25, we opened a new Robotic Surgery Research and Training Center at the Medtronic Innovation Center Osong Campus, marking Korea's first and only facility equipped to advance research and education across all modern surgical platforms, including open, laparoscopic, and robotic-assisted procedures.

In FY25, we achieved 200+ regulatory approvals in major geographies,[8] including:

- BrainSense™ adaptive deep-brain stimulation: The largest commercial launch of brain-computer interface technology that uses real-time brain signals to automatically adjust therapy, personalizing treatment for people with Parkinson's – and BrainSense™ Electrode Identifier
- Affera™ Mapping and Ablation System and Sphere-9™ Catheter: Providing versatility, control, and an optimized workflow for electrophysiologists and improved patient outcomes by offering safer, faster, and more effective treatment as compared to the current standard of care
- AiBLE™ Smart Ecosystem: Continued innovations to the fully connected surgical suite, enabling more predictable, precise, and repeatable spine and neurosurgical procedures

Total R&D and strategic investment
U.S. $ billions

$6.4B[9]



Our hubs for innovation

Our ability to advance technologies is driven by more than 12,000 employees working directly in engineering and R&D roles across all of our businesses. Groups across Medtronic, such as our Global Technology and Innovation organization and Innovation Lab, function to harness the innovative spirit of our founders, ensuring we capitalize on our scientific and technological knowledge to invent, innovate, and deploy new products and solutions.

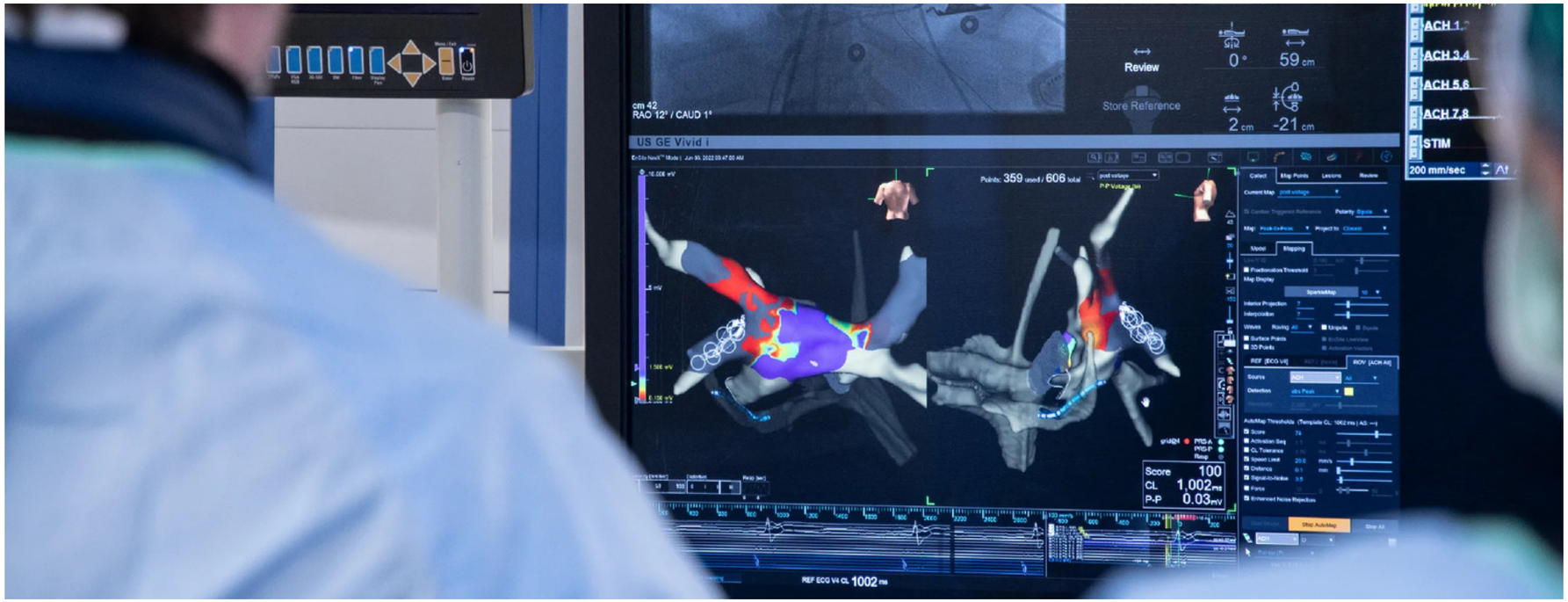
Technology development centers

In early 2025, we redefined our technology development centers (TDCs) into three hubs of technical excellence: Robotics and Navigation, Integrated Microsystems and Energy Solutions, and Biomaterials and Textiles. These new TDCs have a tight focus on our deep core competencies and on disruptive technology that is critical to Medtronic. They are designed to drive collaboration and knowledge sharing, promote cross-business applications and platforms, and fuel our long-term technology goals.

- **Robotics and Navigation TDC:** Advances cutting-edge technology and AI-enabled treatment plans to make surgery more precise and personalized
- **Integrated Microsystems and Energy Solutions TDC:** Develops AI-enabled, miniaturized therapies and sensing technologies for cardiac and neuroscience applications to create smarter, simpler solutions
- **Biomaterials and Textiles TDC:** Improves patient outcomes by advancing implantable materials and textile technologies to enhance therapy performance and reduce complications

AI Center of Excellence

In FY25, our AI Center of Excellence focused on improving AI literacy company-wide through tailored training curricula to advance AI-enabled healthcare. We are also exploring how to use AI to enhance collaboration and streamline tasks throughout the company while ensuring responsible use in our FDA-approved products.



Designing for circularity

Our global innovation efforts are also supported by engineers in our corporate sustainability team. These engineers are enablers of making our products and packaging compatible with a circular economy. In FY25, the team partnered with other engineering teams to develop a tool, providing insight into more sustainable material options for medical devices. Additionally, packaging engineers are now equipped with a Voice of Environment (VoE) tool to assess eco-design criteria against the zero-waste hierarchy. This is embedded into the design approval process, ensuring traceability and aligning with customer environmental goals.

Connecting expertise across the company

In FY25, our Knowledge Center expanded the capabilities of our Knowledge Network, an internal tool that connects people to expertise, by harnessing the power of AI search capabilities. By enhancing the database, employees are able to quickly access the information they need, speeding up our ability to innovate.

To provide opportunities for technical employees to connect, share ideas, present on their work, and collaborate, the Knowledge Center organizes annual science and technology conferences in the U.S., Europe, and Asia. They also facilitate regular connection opportunities for our Communities of Practice – collaborative networks that exchange knowledge, share best practices, and drive continuous learning across the organization.

Innovation recognition

In FY25, Medtronic was named on Fast Company's list of the World's 50 Most Innovative Companies of 2025 for its pulsed field ablation technologies to treat atrial fibrillation.

Harnessing the power of AI

We're striving to transform the future of healthcare by leveraging AI to improve patient outcomes and experiences.

Embedding AI into healthcare

AI unlocks unprecedented potential to enhance patient care by accelerating medical innovation and integrating advanced technology into solutions. We transform data into actionable clinical insights, empowering health practitioners to better understand patients, improve decision-making, and elevate healthcare standards worldwide.

Our AI-powered products enable earlier detection, improved outcomes, and greater clinical efficiency. By automating routine tasks, AI allows health practitioners to free up more time for patient care. By connecting every stage of the patient journey, we keep patients at the center of their care while helping providers predict, plan, and deliver personalized treatment with precision, creating superior patient experiences, improving outcomes, and expanding healthcare accessibility.

Reimagining possibilities

Empowering practitioners

Touch Surgery™ ecosystem: This first-of-its-kind AI-powered video and analytics platform gives surgeons a powerful and secure tool to record and review cases and to train others in and outside operating rooms.

Accelerating access

AccuRhythm™ AI for Reveal LINQ™ and LINQ II™ insertable cardiac monitors: Cloud-based AI algorithms filter out false alerts in heart rhythm data, which can save clinicians hundreds of hours in false alert review annually[10] and improve the accuracy of information physicians receive so they can better diagnose and treat abnormal heart rhythms.

Increasing efficiency and reducing costs

AiBLE™ Smart Ecosystem: Leverages AI within and beyond the operating room so clinicians can make spine and cranial procedures more predictable, precise, and repeatable – this includes using data to create predictive models for informed preoperative planning, machine learning (ML)-based algorithms for identifying spinal anatomy in computed tomography (CT) images, and deep learning to reduce radiation dose from intraoperative CTs compared to standard protocol.[11]

> **"Across Medtronic, AI is fueling previously unimaginable advancements in patient care."**
>
> **Rodolphe Katra, Global Chief AI Officer**

AI-driven technology to assist with polyp detection

The Medtronic GI Genius™ polyp detection system is a first-of-its-market technology that deploys AI to help operators identify abnormalities, such as polyps, that might otherwise go undetected. Employing techniques similar to facial recognition technology, the system is trained using images of abnormalities, enabling it to "learn" to recognize them.

The system is compatible with most existing endoscopes, and the tool aids the operator in real time by highlighting abnormalities consistent with polyps that it suggests should be looked at in closer detail. By helping operators to perform their role, GI Genius™ is able to help mitigate the effects of eye strain, distraction, or fatigue while reducing the "adenoma miss rate" by up to 50%.[12]

Up to

50%

reduction in the adenoma miss rate[11]

The Medtronic AI Compass and AI Policy

Our commitment to exceptional care drives us to bring groundbreaking technologies to address health needs around the world.

Our work is guided by our AI Compass – seven principles that establish how we will responsibly and ethically apply AI and where it will contribute to patient health outcomes. We continually refine and adapt our methods, including the AI Compass, to ensure that the application of AI to our medical technologies remains aligned with our core values, principles, and evolving best practices. In April 2025, we launched a new Global AI Policy, designed to help govern and guide our use of AI across the organization.

We engage with external stakeholders to foster a healthcare data ecosystem that promotes proper representation of patient data to ensure non-bias, transparency, benefit, and value to each patient who utilizes our solutions. We prioritize security in our innovation and product development to identify and mitigate cybersecurity risks and vulnerabilities, including those unique to AI-enabled technologies.

Learn more

→ Our AI Compass

Putting patients first

Patient centricity is deeply embedded into our approach to healthcare. We design our products and solutions with patients in mind to ensure they work for everyone, no matter who they are, and improve patient outcomes and experiences.

Advancing patient centricity

Putting patients first is how we bring the Medtronic Mission to life. Our goal is to deliver better solutions for patients by centering our work on their experience. When we understand patient needs, we can design more innovative products and drive better business outcomes.

Patient centricity is a set of behaviors, tools, and capabilities, including:

- Creating a culture that prioritizes patient-centric behaviors and actions
- Using direct patient engagement to better understand patient needs and improve their experience
- Ensuring patients' safety is paramount throughout the product life cycle

In FY25, we ran a series of workshops with senior leadership teams to create tailored action plans to help further embed patient centricity into Medtronic culture and everyday decision-making. Further, through dedicated culture leaders in each business, region, and function; embedding patient focus into HR-led goal-setting and employee review processes; sharing patient stories; and facility signage, we hope to inspire our teams to prioritize patients in their work on a day-to-day basis.

We also made progress in developing the key enablers to help teams to engage with patients directly, from the research and development of products to clinical trial design and marketing. Direct patient engagement allows us to enhance patient outcomes and experiences across the total life cycle of our healthcare solutions, driven by patient insights and data.

Finally, our patient-first focus continually strengthens connections between the multiple functions that support patient safety, like quality, safety, and R&D functions, with a focus on improved proactivity and prevention, cross-functional risk assessment, specific safety inputs, and product development outcomes.

To help us measure progress in strengthening our patient-centric culture and capabilities, we have developed a patient centricity index – informed by a series of employee survey questions included in our Organizational Health Survey (OHS). The questions cover the extent to which employees understand and are exposed to the patient experience, continuous quality improvements, and a team culture that supports patient-centric behaviors and decision-making. Our enterprise OHS results show a strong connection between the patient centricity index and other key metrics, such as employee engagement and innovation. This means that teams that have a strong patient-centric culture also have more engaged teams – a win–win for our patients and employees.

83%

Patient centricity index score in our Q4 FY25 OHS survey, up from 81% in Q2[13]

Engineering product excellence

Inspired by our patient-focused culture, we pursue quality and performance in our designs, decisions, and actions.

Designing the best possible products and solutions

Our design, reliability, manufacturability (DRM) framework guides our product development and defines best practices, helping our devices meet regulatory requirements while delivering performance, reliability, and manufacturability throughout their life cycle. We continue to evolve our DRM framework to bring in additional industry best practice, and over the last four years we have focused on software development. As an overall framework, DRM includes:

- Identifying patient, customer, and business needs and translating them into engineering requirements
- Applying engineering best practices and critical thinking in risk management, systems engineering, predictive engineering, Design for Six Sigma, Agile/DevOps principles, and cybersecurity to assure we meet those requirements

We create accountability and enable teams in the use of these best practices through:

- Project assessments to ensure DRM maturity and consistent use across our project portfolio
- Annual assessments and improvement plans at product development sites
- Key performance indicators to predict and evaluate the impact on patient, customer, and business outcomes
- Customized and progressive DRM training and certification for leadership and product development teams in key functions such as R&D, manufacturing, quality, and medical safety

Driving product excellence from the top

Patient safety and product quality are top priorities for us – and therefore are overseen at the highest levels of our organization. Our board's Quality Committee oversees risks related to product quality and safety, and our chief quality officer is a member of the Executive Committee, which is accountable for patient safety, quality outcomes, and performance reviews. Our board-level reviews include both leading and lagging performance indicators, patient safety and quality strategies, as well as quality events and their root causes and resulting actions.

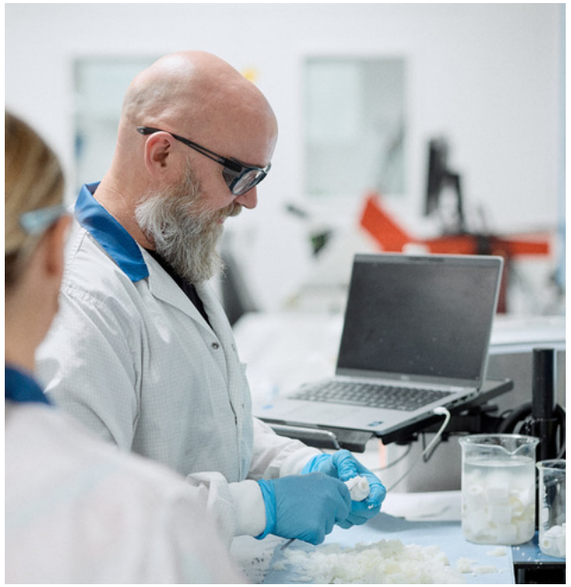
Each Medtronic product, device, and therapy must align with our quality management system (QMS), which is reinforced by an enterprise-wide Quality Plan to further enhance consistency and due diligence across quality systems.

Our quality strategy and strategic priorities guide us to continuously improve in pursuit of our quality vision: deliver quality results that create a competitive advantage and reinforce our position as an industry thought leader and trusted partner. Our strategy ensures that we:

- Put patients first in all that we do
- Drive product quality excellence to ensure an exceptional customer experience
- Are inspection-ready every day
- Demonstrate execution excellence to relentlessly pursue continuous improvement

Annual strategic priorities drive progress against each of these imperatives, which is measured through a robust set of key performance indicators.

Performance in critical quality metrics is a core component of the Medtronic Incentive Plan. Each year, we review and update our quality performance goals. In FY25, we increased expectations by raising standards on two key quality metrics.



94%

of our product development programs benefited from robust DRM principles in FY25

88%

improvement in DRM high maturity from FY22 to FY25

Embedding quality into our supply chain

We support suppliers to meet our specifications and quality requirements, as well as country, federal, state, and local environmental regulations, through our Supplier Quality Excellence Manual. In addition, we establish quality agreements with key suppliers, performance reviews for those falling short of expectations, on-site continuous improvement programs, and collaborative efforts to enhance component and product reliability and manufacturability. Alongside this, the Supplier Optimization and Risk Reduction process preemptively addresses supplier challenges and strengthens supplier partnerships.

Learn more

→ How we engage suppliers in responsible practices

Monitoring our performance

In FY25, we achieved strong performance in our QMS through global audits and risk-based inspection readiness assessments. We also maintain an Inspection Knowledge Management program, through which we share major findings from external audits and inspections across the company.

Throughout FY25, we hosted 11 U.S. FDA inspections, seven of which resulted in zero observations. The remaining four resulted in a total of five observations. 98% of external regulatory inspections at Medtronic facilities resulted in no findings. We received zero findings per regulatory inspection (non-FDA) and 0.45 per FDA inspection, with an overall of 0.02 findings per inspection (all sources). For the few observations noted, we took voluntary action to address the issues, and we kept the FDA apprised of our progress. Since FY22, we've reduced FDA Form 483 observations per inspection by 81% and FDA Class 1 and 2 recalls by 36%.

81%

reduction in U.S. FDA findings per inspection from FY22 to FY25

64%

of U.S. FDA inspections in FY25 resulted in zero observations

315

external regulatory inspections and audits in FY25

Prioritizing patient safety

Every second, two lives are touched by our technology. With so many patients depending on us, we rely on every employee, partner, and distributor to innovate safe and reliable products.

Target	Progress
Reduce aggregate product complaint rate by 10% for identified product families by FY25[14]	34%

Meeting rigorous product standards

In addition to our QMS processes, products undergo rigorous reviews to ensure compliance with internal and external safety standards. Our product risk management process follows the International Organization for Standardization (ISO) 14971 standard for medical devices, and we align our QMS with relevant regulations such as 21 CFR Part 820 and ISO 13485.

In 2024, the FDA harmonized 21 CFR Part 820 and Part 4 with ISO 13485:2016 and set a compliance requirement of February 2026. In response, we have conducted assessments to evaluate the impact on Medtronic quality systems, sharing findings across sites and regions to guide necessary updates. We also developed a centralized implementation plan, enabling local teams to develop tailored plans to monitor site-specific activities.

33%

year-over-year reduction in Field Corrective Actions

Embedding patient safety across our businesses

At Medtronic, we embed patient safety and safe use of our products by healthcare professionals (HCPs) within each of our businesses. Our businesses monitor and address quality, risk, and safety issues on a continual basis throughout the product life cycle. Our product development, supplier, manufacturing, and quality organizations use pre-market risk assessments to understand and mitigate potential risks to prevent patient safety issues from being realized. Following product launch, these teams also work to respond to product performance signals and patient experiences to further improve performance outcomes.

Our enterprise Medical Safety Group (consisting of therapy-aligned clinicians) and our Patient Safety and Risk Management Oversight Board (comprising senior medical, quality, legal, and regulatory corporate leaders) assess, provide guidance, and drive action on safety and quality matters. Additionally, independent advisory panels of expert practitioners provide input to our businesses in their deliberation of complex quality and safety issues. We further leverage real-world data and our institutional knowledge to evaluate, communicate, and mitigate risk to patients.

Responsibility beyond sale

Our commitment to safety continues after we sell our products. Post-market, we monitor device function, safety, and performance, ensuring regulatory compliance and communicating with the U.S. FDA and other regulators. We also gather patient outcome data from hospitals, clinicians, governments, and third parties through our global complaint handling system, Product Surveillance Registry, and post-market clinical studies. In FY25, we had 35 reportable Field Corrective Actions,[15] representing a 33% year-over-year decline. See our Impact Data Hub for more information.

Addressing customer concerns

Complaint rates are an important indicator of the patient experience. We set a target of a 10% reduction in aggregate product complaints by FY25[16] for key product families,[17] and achieved a 34% reduction by the end of the year primarily through implementation of key design changes in selected products.

Advancing gastrointestinal care with the University of Miami

In FY25, the University of Miami Health System pioneered the use of our next-generation PillCam™ Genius SB capsule endoscopy kit. Designed for safe use across different settings, the kit enables small bowel imaging in adults for the detection and monitoring of conditions such as Crohn's disease, GI bleeding, and iron deficiency anemia, especially when traditional endoscopy fails. Designed for hospital, clinic, or home telehealth use, it alerts patients via vibration, sound, and light when complete. The easy-to-remove link device ensures comfort throughout the procedure.

Building patient trust

By embedding safety and security throughout the product life cycle, we strive to create products and solutions that our patients depend on and trust.

Our enterprise product security strategy

Security by design

Our products are engineered to be resilient to evolving threats over their total product life cycle.

Vulnerability vigilance

We use data-driven life cycle management decisions to effectively handle evolving product security risk.

Trust through transparency

Our clear evidence of a strong security culture builds stakeholder confidence.

Winning security workforce

We strive to retain, develop, and attract top talent by building a high-performing security culture.

Ensuring product security oversight

Overseen by our chief quality officer, our Product Security Office is responsible for managing potential security risks associated with healthcare technology. We integrate robust security measures throughout our portfolio and across the product life cycle, addressing risks relevant to each device type. In collaboration with our businesses, our Product Security Office develops product security requirements that are informed by cybersecurity authorities such as the FDA. These requirements are integrated into the QMS and are included in numerous company policies, including a dedicated Product Security Policy.

We engage with employees, regulators, peers, healthcare delivery organizations, clinicians, and security researchers to ensure best practices are applied and emerging risks are identified. We encourage anyone who identifies a security vulnerability or has questions or concerns to contact the Product Security Office at Medtronic.com/security.

As a Common Vulnerabilities and Exposures (CVE) Numbering Authority[18] since FY22, the Product Security Office regularly works through the coordinated disclosure process. We notify customers about vulnerabilities and remediation in our security bulletins, one of which we published in FY25.

We are committed to advancing product security by continuously self-assessing our products for vulnerabilities and partnering with independent technology leaders and security researchers to identify and resolve vulnerabilities. External collaboration enhances our ability to address emerging security threats, ensuring safer products for patients and healthcare providers.

Managing the security implications of AI

As AI capabilities evolve to play a growing role in how we provide our products and solutions to patients and healthcare providers, we developed a set of principles to guide the deployment of AI to ensure it furthers our Mission to alleviate pain, restore health, and extend life.

Guided by our AI Compass, we aim to apply best practices and scientific evidence to design AI-enabled technologies that are secure, safe, and effective, always vetting AI solutions before making them available to our employees. We respect and protect each individual's right to privacy in our design and use of AI solutions, and we employ privacy-enhancing technologies and a "minimum necessary" philosophy for using personal data. We also provide transparent communication about whether our technologies are AI-enabled.

Evolving our risk management strategy

Product security risks are always evolving, making it vital that Medtronic employees remain up to date on new technologies, risks, methodologies, and guidance. By FY25, 29,000+ product development and support employees received product security training, and we provide additional QMS and technical training to employees whose job functions necessitate them.

We continuously refine our risk management processes to assess and identify specific product security risks.

Learn more

→ Our commitment to security

29,000+

product development and support employees have received product security training since formal training was instituted in 2020

Upholding ethical conduct in research

We uphold the highest standards of ethical conduct in research to ensure product safety and transparency.

Trust in our research

To nurture healthcare provider and patient trust, we need to deliver treatments that effectively address their needs. That is why we look to preclinical research to assess potential new treatments ahead of the clinical trial phase. In partnering with Medtronic engineers and scientists, biomedical research forms the foundations of product safety and efficacy and can include evaluating device performance in human cadavers, modeling and simulations, animal studies, and using animal-derived stem cells. We do not use human embryonic stem cell lines and do not undertake or participate in any stem cell research. When human clinical trials are required to support product safety and performance, we conduct research with the highest ethical standards and approaches.

Ethical conduct in animal use

We must demonstrate the safety and efficacy of our products to global regulators, which often requires using animal models specified by those authorities. However, animals are used only when no acceptable alternatives exist. Our Policy Regarding the Use of Animals outlines our approach, covering research that advances patient welfare and our work to meet regulatory mandates that ensure patient safety or effectiveness.

We are committed to responsible, humane practices that uphold animal welfare standards. All animal-related research or testing is approved in advance by the Institutional Animal Care and Use Committee. We also comply with the U.S. Animal Welfare Act and the National Academy of Sciences' Guide for the Care and Use of Laboratory Animals.

In collaboration with scientists, veterinarians, and other experts, we explore ways to enhance our methods and alleviate or minimize harm and distress. We also seek to reduce and replace animal-related research by:

- Submitting findings to the ISO for testing human skin-cell-based assays without the use of animals
- Investing in modeling work to potentially reduce the number of animals used
- Utilizing human cadavers for device development and physician training

Ethical conduct in human cadaveric use

As a medical device manufacturer, Medtronic must demonstrate product safety and efficacy to global regulators before use. Donated human cadavers often serve as the best model for device evaluation and training. Our Mission — to alleviate pain, restore health, and extend life — demands the highest standards of care. Medtronic upholds the same rigorous ethical and quality standards in the use of donated human anatomical material. We are committed to its respectful, legal, and ethical use for education, research, and training at Medtronic-owned and -operated facilities worldwide, following rigorous internal policies, training, and applicable regulations, while using only the minimum material necessary for our objectives.

Ensuring clinical excellence

Clinical trials are a vital stage of our product development. They directly inform how we design and manufacture, helping us create safe and effective patient solutions.

How we approach clinical trials

We follow a rigorous process for clinical trials to gain the best possible insights into how our products and services will work under different scenarios. This information informs and validates our product designs, provides information on the real-world use of products, and helps us give patients the best possible experience.

Our Code of Conduct, Global Business Conduct Standards Policy, and strict data privacy standards guide our approach to clinical trials. We adhere to all relevant laws and regulations, including the E.U. Medical Device Regulation, FDA clinical trial regulations, and ISO 14155:2020. We also have a policy requiring employees to develop clinical or scientific evidence publications in compliance with industry guidelines, while ensuring all authors and contributors disclose relevant financial or personal interests when disseminating Medtronic-owned evidence or research collected under Medtronic agreements.

Increasing representation in trials

We believe that everyone should have access to our life-changing solutions and we strive to develop products and therapies that work for patients, no matter who they are. We aim to make sure that our clinical trial participants are representative of the overall patient population for a particular disease, which enables us to achieve more equitable health outcomes.

174

active clinical trials, and 43 completed, in FY25

Our Diversity in Clinical Trials program continues to engage with Medtronic leadership and clinical teams to prioritize representative enrollment in clinical trials through a fit-for-purpose approach that enhances operational excellence.

In FY25, we established an internal Community of Practice with leaders representing all businesses, relevant functions, and regions, to foster connections and share best practices. We also launched an internal communications campaign, which reached over 1,000 employees, to enhance awareness of our program and encourage engagement.

Throughout FY25, we reached over 400 industry colleagues, demonstrating our thought leadership through engagements such as presentations at national conferences, showcasing innovative strategies and commitment to representative enrollment in clinical trials at Medtronic.

Listening carefully to patient feedback

We continually develop new approaches to gather direct patient input, helping us to understand what outcomes are the most meaningful for them and how they and caregivers interact with our products.

We also gain essential insights into how we should design our trials, and the patient voice is critical for us to understand barriers to enrollment. It shapes the way we approach patient recruitment, optimizes the patient trial experience, and incorporates the patient voice into all related materials to ensure we communicate effectively.

Improving outcomes through more inclusive design

Pulse oximeters are tiny sensors which use a light to measure oxygen saturation in a patient's blood. They are important devices and became critical tools during the COVID-19 pandemic. However, by potentially overestimating oxygen levels in patients with darker skin tones, they can report a normal result in a patient who actually requires an escalation in care.

This disparity may have led to negative outcomes for Black patients – especially during the COVID-19 pandemic – and is an example of how technology can inadvertently cause or exacerbate gaps in healthcare.

We aim to ensure that a person's skin tone does not impact the quality or effectiveness of their healthcare, and we opened a new clinical physiology lab in Denver to help us improve oximetry technology.

By conducting our own trials, we can test faster and more frequently, leading to more frequent innovation. And, since the lab is situated in a racially diverse neighborhood with multiple modes of transit, we are able to make trials more accessible and more easily ensure inclusive enrollment.

The lab uses the Monk Skin Tone Scale to ensure an industry-standard approach to recruitment and research, and in FY25, screened 110 new participants for hypoxia performance and completed four product premarket trials. The team at the lab was also active in sharing its findings, and more broadly, we have educated 17,000 clinicians on the effect of skin pigmentation on pulse oximetry.

Engineering better health for all

We partner with organizations across the healthcare ecosystem to advance solutions that improve health for all. Our results-focused partnerships combine resources and expertise for extraordinary outcomes.

Advocating for change

Throughout FY25, we engaged with specialty medical societies to understand their objectives, share Medtronic progress, and uncover opportunities to advance better health outcomes for all. For example, in FY25, we focused on the eradication of hypertension. Our cardiovascular business partnered with the Association of Black Cardiologists to focus on training and education around this deadly disease, especially among the Black population. Since FY23, we have also been part of the Global Health Equity Network (GHEN), a World Economic Forum initiative that brings together public and private sectors to tackle the root causes of health disparities. As part of GHEN, we signed the Zero Health Gaps Pledge, committing to drive progress toward health equity by 2050.

We advocate for public policies that increase access to healthcare for marginalized populations, engaging with governments and international organizations to meet country-level medical equipment needs. To further this, we build long-term partnerships with governments and health systems in underserved communities, focusing on R&D, market access, clinical training, and health system strengthening. The impact of our initiatives is monitored through our Public–Private Partnership Council and a United Nations Economic Commission for Europe (UNECE) self-assessment tool.

Removing barriers to treatment

Accelerating access and removing structural and societal barriers to quality care requires understanding local community needs, having an on-the-ground presence, and scaling solutions with an equity mindset. The Medtronic Health Equity Advisory Committee (HEAC) – launched in FY22 in the U.S. – focuses on how Medtronic can best support our customers in expanding access to care for all patients. Comprised of dedicated volunteers from across the enterprise, the HEAC provides company-wide insights to align language, share best practices, and inform our businesses and functions on a variety of issues from national health policy to measuring our impact.

In FY25, our HEAC brought in voices from our own Employee Resource Groups (ERGs) to learn about barriers to care and identify opportunities to eradicate them. We brought in external voices from national organizations to share best practices in quality outcomes, health policy, patient centricity, hypertension, and community outreach. By learning from within our own organization and through external organizations, we have a broad understanding of gaps and how to bridge them.

Empowering obesity awareness through patient storytelling

Obesidad en 100 pasos is a digital book launched by Medtronic Latin America as part of the "Hablando de Obesidad" initiative. Developed collaboratively with Chilean patients, HCPs, medical societies, and the patient advocacy NGO 300 mil mórbidos, the project captures the lived experiences of 50 individuals with obesity across Chile. Their personal stories reflect the emotional, physical, and social challenges they face, including stigma, depression, discrimination, and barriers to healthcare.

The book also highlights 100 steps that can lead to obesity, explaining behavioral, environmental, psychological, and systemic factors. This multidisciplinary initiative, evaluated by an expert jury and launched with broad stakeholder engagement, exemplifies the Medtronic commitment to health equity and patient-centered care. By amplifying patient voices and fostering collaboration, the initiative addresses the obesity crisis through community-driven health communication.

Accelerating access

We leverage innovative technology, including AI, and partnerships to advance healthcare access and improve lives. By collaborating with our partners, we can work toward our vision for a healthier, more equitable world.

Target	Progress
Serve 79 million patients annually by FY25	79M+
Flow 20% of revenue from products and therapies released in the prior 36 months (vitality index) by FY25	21%

Improving access to care

Our aim is to advocate for needed changes in healthcare education and practices. We use the 4As framework to guide this: Awareness, Application, Adoption, and Advocacy.

We employ our Patient Access Acceleration (PAA) methodology to pinpoint access barriers and assess treatment requirements. Using a data-driven approach, PAA shapes our market strategies and highlights opportunities for investment. We improve access in several ways: through increasing evidence generation to support decision-making; expanding economic coverage by increasing the resources available for healthcare services, capacity building, training, and education; and raising disease and therapy awareness. Insights are also gained from annual PAA assessments, through which we refine our planning and mitigate risks in future market investments. We're also integrating ML models to forecast patient treatment potential.

In addition to PAA, we use our Patient Access Insights (PAI) consulting service to identify local access challenges and needs. Globally, we collaborate with hospitals to apply PAI to specific care services and pathways, enabling tailored, evidence-based solutions.

Building capacity in the healthcare system

Increasing the number of practitioners employing our therapies, particularly in emerging markets, radically expands healthcare access and allows patients to receive treatment in their home countries. Delivering targeted education is key to achieving this. We do this in three ways:

1. Providing comprehensive training on our products, taking full responsibility for the content and delivery
2. Offering partnership training on procedures, engaging contracted HCP faculty to enhance the training experience
3. Investing in third-party grant funding

We want to make it convenient for more health practitioners and customers to access current information. That is why, across the U.S., we deploy a fleet of Mobile Labs to provide healthcare technology education and training to clinicians. The trucks support our businesses with product launches by simulating operating rooms that serve as mobile, immersive training experiences. During FY25, we trained approximately 2,000 healthcare providers via the Mobile Labs, with 10 businesses getting involved to host 422 events across 119 cities. We also partnered with the Medical University of South Carolina, creating opportunities for science, technology, engineering, and mathematics (STEM) students to enter a Mobile Lab and explore the world of healthcare technology innovation. In FY25, we added one Mobile Lab to our fleet, with another preparing to launch in FY26, to bring the Hugo™ RAS[20] system to HCPs.

Additionally, our global Innovation Centers, with locations in South Korea, Türkiye, and beyond, provide specialist training to HCPs wanting to expand and update their skills and knowledge.

Championing collaboration for health communication

Medtronic supported the First International Congress on Health Communication in FY25. Organized by Hospital Universitari Vall d'Hebron and the European University Hospital Alliance in Barcelona, the event offered a platform to address challenges and opportunities in healthcare communications. It also underscored the importance of collaboration in overcoming healthcare challenges and building a more sustainable and innovative future.

During the event, delegates visited the One Step Stroke Unit at Vall d'Hebron Hospital. Developed in collaboration with Medtronic, this pioneering, single, direct-access room aims to revolutionize stroke patient care by offering an integrated and time-saving approach.

$2.7B

R&D investments

$99M+

spent on training and education, reaching more than 110,000 medical professionals[19]

$1.9B

strategic investments and acquisitions

Hernia Heroes: A partnership for global hernia care

A collaboration between Medtronic and the European Hernia Society has advanced surgical education and humanitarian efforts in hernia care. Together, they identified and supported two major charities: Hernia International and Operation Hernia, which are dedicated to delivering life-changing hernia surgeries in low- and middle-income countries. Hernia surgery is often neglected in global health, leaving many without access to treatment. Operation Hernia's yearly missions, staffed by volunteer surgeons, treat about 500 patients annually. These missions allow international doctors to work alongside local teams, building surgical capacity and improving outcomes for vulnerable populations. Our partnership with the European Hernia Society over the past four years has provided essential funding, enabling direct patient care and educational initiatives.

Alleviating the HCP shortfall

Our goal is to educate 1.2 million HCPs by FY26. Over the past three years, Medtronic has trained 1,150,000+ health professionals. In FY25, we continued this work through our global digital and in-person resources:

- Medtronic Academy – Provides over 4,000 courses and videos, enhancing HCPs' ability to improve patient outcomes
- Touch Surgery™ Simulations – Free-to-download app with 200+ simulations offering in-depth explanation of surgical procedures, allowing users to review, practice, and teach
- Touch Surgery™ Live Stream – Newest addition to the ecosystem to stream endoscopic and operating room video and audio to participants outside the room to maximize teaching, coaching, and technical support
- Training and education centers – Enable hands-on experience with realistic patient simulators, allowing HCPs to practice device implant procedures
- Hugo™ ASCEND Training Pathway[21] – Provides a foundation of technical and procedural training, blending virtual and in-person curricula to build a successful RAS program

1.1M+

HCPs trained in the past three years

~90%

of Mobile Lab events are local, reducing the time and distance customers need to travel to attend

Celebrating educational excellence

In FY25, we held the Medtronic Medical Education Council awards, recognizing exceptional team and individual contributions to HCP education and training across three categories: outstanding achievement, thinking outside the box, and digital innovations. Through a peer nomination process, a winner for each category was selected by the Medtronic Medical Education Council co-chairs.

Ensuring access to innovation

Our Mission drives us to innovate products that relieve pain, restore health, and extend lives. Equally important is ensuring that patients around the globe can access these therapies when they need them.

The Medtronic global Healthcare Economics Policy and Reimbursement function works to ensure patients have timely access to Medtronic innovations by shaping healthcare policy, securing reimbursement, and demonstrating the value of our products. The Healthcare Economics Policy and Reimbursement teams around the world secure funding and coverage for our life-saving and life-sustaining therapies by leveraging their deep understanding of local healthcare systems and fostering strong relationships with decision-makers.

Our patient access strategies are carefully adapted to each market, taking into consideration their unique healthcare system and policy environments. By combining country-specific reimbursement and coverage strategies with flexible and customizable pricing models, we are able to offer a range of product options to enhance accessibility in low- and lower-middle-income countries.

"Touch Surgery™ is a powerful tool that helps surgeons refine their techniques by providing a library of procedures to learn from. By analyzing cases side by side, we can identify efficiencies and improve individual performance."

Dr. Peter Billing, Bariatric Surgeon & Medical Director, Transform Weight Loss, Seattle, WA

People

At Medtronic, we know our impact is amplified when every team member is empowered to contribute fully. Our products and services are a result of collaboration, strengthened by a shared purpose and a commitment to excellence. By supporting the health, well-being, and growth of our people, we build a stronger organization – one that's equipped to meet the challenges of today and tomorrow.

Through the lens

A look at our impact for employees and communities

La Shawn Dutton-Spruill, a Healthy Neighbor community health worker (CHW), and Matt Walter, Medtronic Chief Human Resources Officer, talk about how the company is helping its employees thrive and participating in initiatives that support communities in need.

La Shawn: Helping people is my calling. My mom was a nurse growing up, so the desire to help others feels like something that's truly my purpose. What would you say the purpose of Medtronic is?

Matt: Our Mission is to alleviate pain, restore health, and extend life. This means we need to reinvent what's possible in healthcare and provide hope for those with unmet healthcare needs. Our products and therapies treat more than 70 complex and challenging conditions, bringing better health to millions of people around the world every year. Our dedication to our patients and to improving lives unites us as a company, contributing to a culture where everyone feels included, respected, and valued as we work to improve health for people around the world.

Matt: You go into people's homes every day, working with those facing health, social, and economic challenges to improve their outcomes. What kind of changes have you seen in the lives of your patients?

La Shawn: The changes are profound. I've walked into homes where hope was gone. But, through trust, compassion, and the right tools, I've watched people fight back for their lives. In Camden, New Jersey, Healthy Neighbor shows how collaboration and a home-based care model can have a major impact on a community facing major health challenges. In the first two years of Healthy Neighbor, 74% of patients with uncontrolled hypertension and 69% with uncontrolled diabetes made meaningful progress, respectively. It's amazing to see the impact we have made on the lives of our patients, and how the program has helped expand access to healthcare. It's why I do this work.

La Shawn: One of the main reasons I joined Healthy Neighbor is because I need to do work that makes a difference. What impactful work is Medtronic doing for its employees?

Matt: With 95,000+ people in over 150 countries, our impact starts with our people. We're committed to creating an environment where all employees can thrive – whether it's by fostering a culture of belonging, ensuring pay equity, or removing barriers to career opportunities. We invest significantly in training and development opportunities, like the Medtronic Advancement Pathways and Skill Building (MAPS) program, which provides debt-free education for employees. We remove barriers to opportunity because we've seen firsthand how diverse voices and experiences unlock innovation and help us reach new communities.

Matt: Going back to that theme of community, can you tell us about how the Medtronic LABS digital health platform, SPICE, helps you provide better care for your patients?

La Shawn: SPICE helps me provide care that is smarter and more holistic. By giving me real-time insight, I can tailor my care to each person better and help them address the root challenges in their life. But more than that, it helps build trust. My patients see that someone is paying attention, and that matters.

La Shawn: I love what I do so much; I really hope that more young people get inspired to do work that helps people. How is Medtronic inspiring the next generation to tackle healthcare challenges?

Matt: Given the projection that there will be a global shortage of nearly 15 million professionals in the health tech sector by 2030, inspiring the next generation is critical. It's why we launched Medtronic Spark to invest in the next generation and propel one million low-income students into health tech careers over the next decade. Through three programs – the Spark Innovator Labs, Spark Credentials, and Spark Scholarship – we're aiming to change the trajectories of young people's lives and open doors to purposeful careers in our industry. We know the investments we make today will determine how effectively we meet tomorrow's healthcare challenges, and we're committed to sparking the next generation's interest in health tech.

La Shawn Dutton-Spruill
La Shawn is a passionate CHW. Born and raised in Camden, helping others was not just a career choice – it was a calling.

Matt Walter
Matt is Medtronic Chief Human Resources Officer, as well as a member of the Medtronic Executive Committee.

Protecting our people

We strive to build a safe workplace where people feel their well-being is a priority, empowering them to innovate and excel.

Ensuring a safe workplace

Medtronic is committed to a safe, healthy, and compliant work environment. Our Environmental Health and Safety (EHS) Policy and Management System (EHS MS) work together with the aim to ensure compliance, set company-wide standards, and instill a culture of care.

We proactively address occupational health and safety issues, ensure compliance with laws and regulations, and continuously improve our standards by measuring performance against industry best practices. Through resources like our Knowledge Center, tier management system practices, and horizontal sharing activities, we promote accelerated learning and informed decision-making across all facilities.

Our EHS MS adheres to industry-leading practices such as:

- ISO 14001 (environmental management)
- ISO 45001 (occupational health and safety management)

The system helps us manage and prioritize key EHS issues, from compliance with environmental regulations to the safety of how we work. To date, 13 Medtronic sites hold ISO 14001 certification while two are ISO 45001 certified.

A proactive approach

At Medtronic, every employee is encouraged to take ownership of health and safety, taking proactive and collaborative steps to nurture a shared culture of care. This is supported by our EHS Performance System, which:

- Monitors our recordable incident rate, safety standards, employee training, and auditing
- Provides each employee in our manufacturing facilities with the knowledge to reduce risks and act with safety in mind
- Defines our expectations of leadership and employees
- Provides employees with an awareness, and encourages ownership, of EHS

Improving our performance

Employee feedback is key to improving our safety programs and performance. Our online hazard reporting system allows employees to speak up on and mitigate potential hazards such as water leaks or fire risks, along with near-miss incidents.

Additionally, a team in Villalba, Puerto Rico, created an automated system to enhance the visibility and accessibility of key EHS metrics, resulting in a 47% improvement in the completion rate of hazard observations – an accomplishment for which the team was recognized with an annual EHS Sustainability Award.

Recognizing health and safety efforts

When our people champion health and safety, we celebrate and reward those efforts. Our internal EHS Sustainability Award celebrates safety alongside environmental achievements. In FY25, six Medtronic projects received the award for their health and safety efforts. One of these was Project CHANGE, initiated by our Neurovascular Education Team in Japan. The project overcame significant technical, quality, and regulatory challenges to move away from the use of an animal lab when training physicians in the Onyx™ Embolization System for the treatment of arteriovenous malformation. The project eliminated the need for GHG-producing anesthetic gases, saved the lives of 30 animals, and reduced zoonotic disease risk. These changes resulted in annual cost savings of $73,000 and improved simulator and training quality, demonstrating how environmental improvements can lead to advancements in health and safety.

19%

reduction in total recordable incident rate (TCIR of 0.21) in FY25 versus FY20, as well as a 27% reduction in lost-time incident rate (LTIR of 0.11), demonstrating our commitment to continuous safety improvement

Empowering employee growth

We invest in our global team through training and development, enabling employees to realize their potential and continue to transform lives.

Advancing careers through employee development

Our skills-based learning and development initiatives are crafted to attract, retain, and advance diverse top talent. Medtronic employees at all levels benefit from training tailored to their learning styles and career goals. In addition to structured programs, we offer an array of on-demand digital resources[22] that empower employees to take charge of their learning journeys.

We proactively develop careers through our organization and talent planning process, nurturing future leaders by identifying a diverse mix of successors for strategic positions, assessing employee potential, and executing focused career development actions. This supports career progression by providing unique talent development opportunities and creating spaces for employees to highlight their experiences.

We also maintain channels for open communication, with managers and employees meeting at least six times a year. This includes setting and aligning goals at the start of each year, mid-year discussions on career aspirations, quarterly check-ins on performance, and formal year-end performance assessments.

The Medtronic AI Center of Excellence delivers scalable AI applications to strengthen skill sets across the organization. As AI continues to evolve, we shape technology and talent strategies to ensure that our workforce is prepared for the future through opportunities to reskill and upskill. This includes providing formal and role-specific training, establishing technical communities, symposia, and AI-focused "hackathons," and offering company-wide AI policy programming.

Encouraging ongoing learning

Our employees can continuously develop new expertise through the Medtronic Skills Lab – a digital learning platform powered by our partner Degreed. The platform provides access to a range of resources, including Harvard Business Publishing's entire catalog of resources, such as articles, podcasts, and books. In addition to scalable sources with high utility, the platform enables focused solutions that serve up function-specific content for localized talent needs.

Skills Lab delivers materials in multiple languages and facilitates collaboration across Medtronic learning teams. Employees have viewed more than 364,000 learning assets and we have captured approximately 93,000 skill data points on our employees to inform future training and talent programs. Further, the platform allows managers to see the skill makeup of their immediate teams, allowing them to assess both individual and team strengths and opportunities. Focus skills can also be issued at the team level to set targets for baseline proficiency to ensure teams have the necessary skills to delivery results.

$64M

spent on learning and development in FY25, an average of $650 per employee

36

training hours per employee on average in FY25

Nurturing future leaders

Job satisfaction, talent retention, and career advancement all improve when employees have strong, supportive relationships with their managers. We pride ourselves on recognizing high-potential employees and guiding them into managerial positions. We are also dedicated to supporting people when they reach those positions, nurturing the leadership skills managers need to effectively engage and develop their teams.

We have several leadership and development initiatives designed for people leaders at various career stages, including:

- **Ignite and Elevate:** Multi-week programs for high-potential leaders to develop skills and achieve career aspirations. Over the last three years, 45% of Ignite and 55% of Elevate participants have been promoted.
- **Forge:** Core leadership development program for directors and senior directors.
- **Coaching:** Comprehensive coaching services available to employees across all levels to provide individualized, one-on-one support.
- **Emerge:** A three-month program for individuals with management potential to grow their leadership skills. Over the past three years, 60% of participants have been promoted.
- **The Executive Leadership Experience:** A shared, comprehensive development journey for our most senior leaders, delivered through both classroom and virtual learnings; engagements with industry leaders, experts, and colleagues; and an executive assessment.
- **Breaking Barriers:** An immersive coaching experience designed for Medtronic VPs to develop skills in inclusive leadership and building strong, smart teams.

In FY25, our leadership nomination programs Emerge, Elevate, and Ignite received record nominations. We also launched a new enterprise-level Medtronic Leadership Framework to articulate the skills that leaders need to succeed. To support this framework, we piloted a new leadership development program, Leadership Essentials, focused on mobilizing leaders and enabling change.

Recognizing excellence

We create moments for managers to celebrate employee achievements through formal evaluations, regular check-ins, and our Recognize! platform. Our employees can receive a number of awards in technology, quality, leadership, and ethics, including:

- **Bakken Fellows:** Recognizing employees who make significant technical contributions to Medtronic and the biomedical device industry
- **Compass Award:** Acknowledging individuals who embody the Medtronic Mission and uphold our Code of Conduct with integrity
- **Global Inclusion, Diversity, and Equity Leadership Award:** Honoring employees who champion inclusivity in the workplace
- **Star of Excellence:** Recognizing exemplary quality and innovation
- **EHS Sustainability Award:** Celebrating projects that promote sustainability across our business, workforce, and environment
- **Wallin Leadership Award:** Highlighting leaders who foster inclusive environments and develop leadership talent to drive business success

28%

of roles, and 77% of VP roles, filled internally in FY25

79%

increase in skills-based roles hiring over the past year

Investing in our employees

We are dedicated to supporting the well-being of our employees and their families through comprehensive compensation and tailored benefits.

Competitive compensation

We support our passionate employees with holistic compensation throughout their Medtronic career journeys. Our compensation framework[23] – including base salary, cash incentives, retirement contributions, and a stock purchase plan – is designed to recognize and reward performance. We also link compensation to metrics such as quality. See our Proxy Statement to learn more.

Medtronic complies with global laws regarding freedom of association and collective bargaining agreements, including participating in works councils. In FY25, approximately 9% of our employees were covered by collective bargaining agreements or independent trade unions where applicable.

Advancing pay equity

Pay and opportunity gaps can affect individuals and communities across generations. Recognizing this, we uphold equitable employment policies and practices, and pursue pay parity for our employees. We ensure that our employee compensation aligns with industry benchmarks and local market standards, and we conduct an annual pay audit in the U.S. and several other countries.

100%

gender and ethnically diverse pay equity in the U.S. in FY25 for the fifth consecutive year, and 99% gender pay equity globally

Tailoring benefits to our people

In addition to competitive compensation, we offer extensive health and lifestyle benefits for our employees and their families. While we tailor benefits to meet regional needs, they often include:

- Health, disability, and life insurance
- Employee Assistance Program, including on-demand digital mental health resources
- Paid time off
- Paid volunteer time
- Paid sick and family care leave
- Retirement plans
- Employee stock purchase plan

We're committed to safeguarding employee well-being as part of our benefits. In FY25, we launched SimpleSteps, our global initiative to embed well-being into the culture of Medtronic. SimpleSteps is available to employees globally and offers resources for mental health, family building and reproductive support, neurodiversity, and financial support. We also offer an interactive calendar of live well-being events, available to all employees globally, and on-site wellness centers in some locations.

In FY25, we introduced four new benefits to our offerings in the U.S.:

- **Bend Health**, a virtual mental health support service for children and young adults that matches those in need with virtual therapy, psychiatry, and coaching
- **Hinge Health**, a virtual physical therapy service that allows employees to access treatment at home to fit their schedules
- **Joshin**, providing neurodiversity support for employees and their family members
- **Enhanced 401(k) support**, offering eligible employees the opportunity to receive a company match to their 401(k) for qualified student loan payments

Outside of the U.S., we introduced Inflection – an educational resource for menopause, fertility, and allyship – as well as RethinkCare, which offers neurodiversity support for employees and their family members. We regularly update our benefits package to cater to people's diverse and changing needs. Throughout FY25, we continued our work toward defining a minimum universal health standard for all employees, covering topics such as access to vaccines, maternity care, and mental health.

Prioritizing employee feedback

Through our semi-annual OHS, we gather feedback from employees that serves as a measure of their overall engagement or commitment to Medtronic, as well as their motivation to help the company succeed. We also gain an understanding of employee perceptions of inclusion, innovation, and ethics – all factors we deem critical to the success of our organization.

In our FY24 OHS, we included metrics from our patient centricity index for the first time to enable employees to assess the degree to which we're driving patient-centric behaviors at Medtronic. In FY25, we saw a two-point increase in the index score, demonstrating meaningful progress toward our goal to center our work on the patient.

Our engagement and inclusion scores remain at world-class levels. Other key metrics of innovation and ethics are just below their respective world-class designations. Our participation continued to improve with 88% of employees participating in FY25. Leaders at all levels use this information to identify key themes, strengths, and areas of opportunity within their teams and to prioritize action to drive improvements in team culture.

OHS Survey Feedback Results	FY23	FY24	FY25
Engagement	79%	82%	82%
Inclusion	78%	81%	81%
Innovation	76%	79%	79%
Ethics	82%	84%	84%
Patient Centricity	–	81%	83%
% of employees responded[24]	82%	87%	88%

Zero barriers to opportunity

Our unwavering commitment to zero barriers to opportunity within Medtronic means creating a culture where all employees belong, are respected, and feel valued for who they are and the life experiences they contribute.

Our commitment

We have seen firsthand how diversity can accelerate creativity, innovation, and performance, which is why we are focused on removing barriers to ensure that our lifesaving technologies reach more patients around the world.

To learn more about our progress and impact, see the Zero Barriers: More than you think 2024 Annual Report.

Opening more doors with education through the MAPS program

To support more of our employees in gaining access to higher education opportunities, we launched MAPS – an initiative that provides 100%-free tuition coverage at in-network schools and provides flexible, career-aligned learning pathways. We're helping our current and future employees build skills and gain credentials that allow them to grow without incurring tuition debt.

To date, more than 3,000 employees have enrolled in MAPS learning programs, earning degrees or certificates and achieving internal promotions. The initiative has delivered measurable business benefits, including a 93% retention rate among MAPS participants, far exceeding our company average. Through MAPS, we are not only investing in education, we are investing in people, communities, and a future where opportunity is open to all.

Learn more

→ The impact of our MAPS program

81%

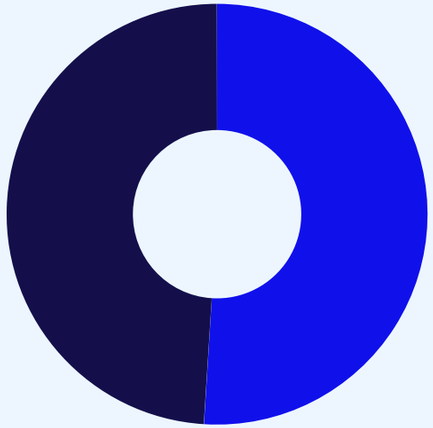
Organizational Health Survey (OHS) inclusion index score in FY25[25]

Transparency on our data

As of December 31, 2024

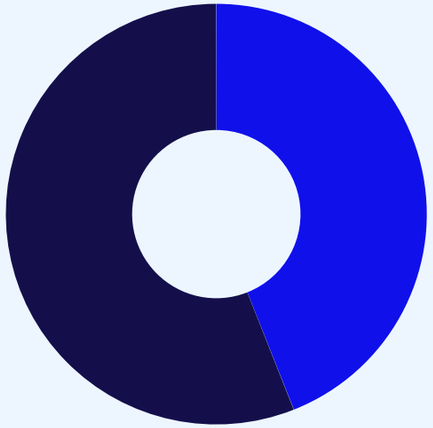
Global employees
Women

51%



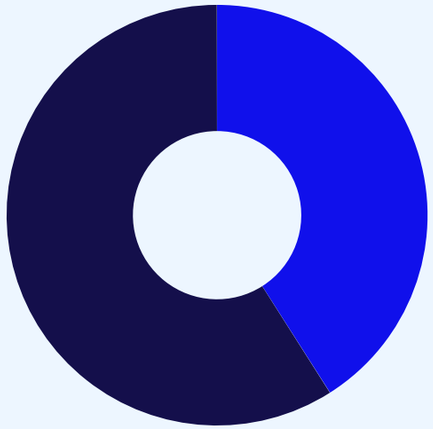
Managers, directors, and vice presidents
Women

44%



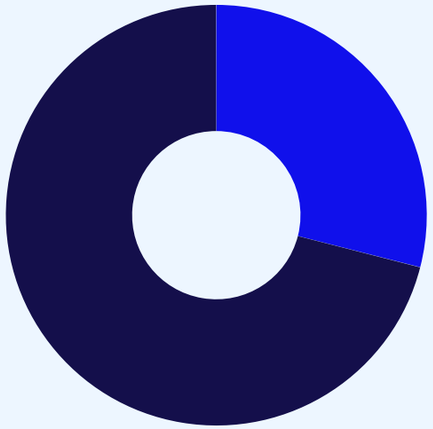
U.S. workforce
Ethnically diverse employees

41%



U.S. managers and above
Ethnically diverse employees

29%



Our Networks and Employee Resource Groups (ERGs)

Our global Networks and ERGs offer a way for employees to connect based on shared identities. They also provide opportunities for all employees to develop leadership skills, serve as thought partners to the business, and educate each other cross-culturally – as well as amplify our impact in communities through partnerships and volunteer efforts. We welcome all employees to participate in each community and attend educational events and activities.

Our six networks

- African Descent Network (ADN)
- Asian Impact at Medtronic Network (AIM)
- Awareness Benefiting Leadership and Employees About Disabilities (ABLED)
- Hispanic Latino Network (HLN)
- Medtronic Women's Network (MWN)
- PRIDE Network

Our seven ERGs

- American Indian ERG
- Christian ERG
- Medtronic Jewish Community
- Medtronic Seasoned Professionals
- Medtronic Young Professionals
- Muslims and Friends
- Veterans ERG

Building a global mindset

Reaching patients, customers, and employees in over 100 countries requires communication that resonates across various cultures, languages, and societal norms. Our Global Communications and Corporate Marketing (GCCM) team is a leader in our efforts to bridge borders, time zones, and perspectives to serve the global community effectively.

One example of progress is the Building Cultural Bridges program, which fosters cross-cultural awareness by exploring how cultural differences – such as decision-making and feedback styles – affect collaboration.

We have also launched the Global Immersion Experience, a program which allows employees to spend up to two weeks in a different part of the world working with their GCCM colleagues. The experience provides firsthand insights into local cultures and business practices to inform how we can work better together.

The GCCM team also implements practical, everyday strategies to improve global collaboration. These include scheduling time-zone-friendly meetings and consistently sharing meeting recordings and transcripts. This ensures all team members – no matter where they are – feel respected and included.

> **"Being a part of the Hispanic Latino Network allows our members to understand each other a little bit better. It feels like familia."**
>
> **Liz Lund, Senior Philanthropy Director**

35,000

employees engaged in Networks/ERGs, equivalent to a third of our workforce, across 300+ hubs and 73 countries

2×

Employees who regularly participate in Networks and ERGs are more than twice as likely to be engaged at work[26]

Expanding higher education through MAPS

Our most recent survey revealed that 65% of MAPS participants identified as first-generation college students. Christopher Hibbler – a senior clinical specialist supporting our Cardiac Ablation Solutions business – is one of those students. Pursuing his bachelor's degree in healthcare leadership, the support of MAPS allowed him to graduate nearly two years earlier than planned. "Education is so important. I became a first-generation college graduate in my family, helping fulfill a dream my parents had for me, and setting the path for the next generation," Christopher said. "My grandparents would be amazed to see how far I've come. I know they're proud of me."

Learn more

→ Christopher's story

Improving employee well-being with Cubbie

To cultivate a more inclusive working environment, we have introduced Cubbie to the 4,000 employees at our Galway Campus. Typically found in schools and universities in the U.K. and Ireland, Cubbie is an immersive, multi-sensory pod designed to regulate anxiety and sensory overload – and Medtronic is the first-ever workplace to launch it.

Designed with autistic and neurodivergent people in mind, Cubbie benefits anyone feeling stressed. Our employees can customize their session – which lasts from 5 to 15 minutes – with different sensory options.

"It gives you a chance to take a breath, and it's amazing what a quick reset can do," says Aoife Monahan, a senior R&D engineer. "After just 10 or 15 minutes, you come out feeling a lot more productive."

As well as helping individual employees, the Cubbie system has raised neurodiversity awareness on-site, fostered inclusive conversations, and been positively received by our employees. We are now exploring deploying it to additional locations.

Investing in the future of STEM careers

We are passionate about intentionally seeking a wide spectrum of talent for science, technology, engineering, and math (STEM) careers. We are empowering people with the skills and opportunities needed to thrive through Medtronic scholarships, internships, mentorships, and sponsorships.

For example, our summer internship program includes a three-day "boot camp" experience at our Operational Headquarters, which is an immersive experience that prepares our STEM interns for success with best-in-class programming, speakers, and connections with Medtronic leaders. We also partner with the Galway Science & Technology Festival, Ireland's premier event for the promotion of STEM that reaches more than 30,000 students.

> **"I have a different perspective as an African American man working in this particular business. If everyone is the same, then we won't have different thinking coming in, and we won't grow. We'll stagnate."**
>
> **Ashanti Terry, software engineer in our Pelvic Health business, and former intern**

Driving supply chain impact

By buying from small businesses that are deeply embedded in their communities, we can make a powerful contribution to building up our local economies. We aim to foster equitable economic impact, enable job creation, spur entrepreneurship, and strengthen the places where we live and work.

Empowering our local economies

We continually build our network of small and diverse suppliers. In doing so, we can create a multiplier effect that broadens our overall economic impact and drives local communities forward. The unique perspectives and innovative solutions these businesses bring enrich the marketplace and drive progress through innovation, cost efficiencies, and service improvements. Our collective growth leads to stronger, more vibrant communities and dynamic supply chains.

Throughout FY25, we supported 17,476 jobs through our small and diverse supplier spend, as we made $2.2 billion in total economic impact.[27]

In FY25, our partnerships to strengthen our supply chain included:

- **Marathon Medical**, a service-disabled veteran-owned small business dedicated to delivering medical and surgical supplies to healthcare professionals (HCPs) and patients at Veterans Affairs (VA) facilities
- **WeCo Accessibility Services**, whom we partnered with to create customized training courses on digital accessibility
- **PMC SMART Solutions**, a women-owned business that redefined how a 25-year-old product line was built when it needed a new manufacturer

Learn more

→ Examples of innovation by small and diverse suppliers

→ Getting started as a small & diverse-owned Medtronic supplier

Supporting our communities

To fulfill our Mission, we strive to go beyond our products and services by improving the lives of the people living in our communities.

Our approach

We contribute to our communities through financial investment, volunteerism, and strategic guidance, including:

- **Cash contributions** – Funding medical professionals, fellowship positions, clinical research grants, third-party-sponsored health education programs, and other health-related activities
- **Product donations** – Supporting disaster recovery and access to care through nonprofit organizations and in-country clinics
- **Year-round employee volunteering and giving opportunities** – Empowering employees through Matched Giving and Volunteer Grants that enable them to donate time, skills, and resources

Inspiring future generations to aspire to a career in health tech

In February 2025, we announced Medtronic Spark, a global ten-year initiative to propel one million students from low-income households into health tech careers.

The program will help young people build successful careers while addressing the emerging talent shortages in the health and technology industries. We developed the program through deep engagement across Medtronic – which included 5,600 survey responses, 40 executive leader interviews, and 70 focus groups – to ensure our strategy is fully aligned with the priorities of our people.

We will pursue our goal across Medtronic Spark's three strategic pillars:

Medtronic Spark Innovator Labs
Inspire students' "innovator identity" through hands-on exploration of human anatomy and biomedical engineering.

Medtronic Spark Credentials
Develop and offer free global online credentials and certification in health tech and healthcare careers for immediate employment opportunities.

The Medtronic Spark Scholarship
Remove financial barriers to enable students to pursue degrees in health tech and related healthcare fields.

Contributing to make a lasting impact

In FY25, Medtronic and Medtronic Foundation contributed approximately $103 million through cash contributions and grants, product donations, and employee volunteering and giving.

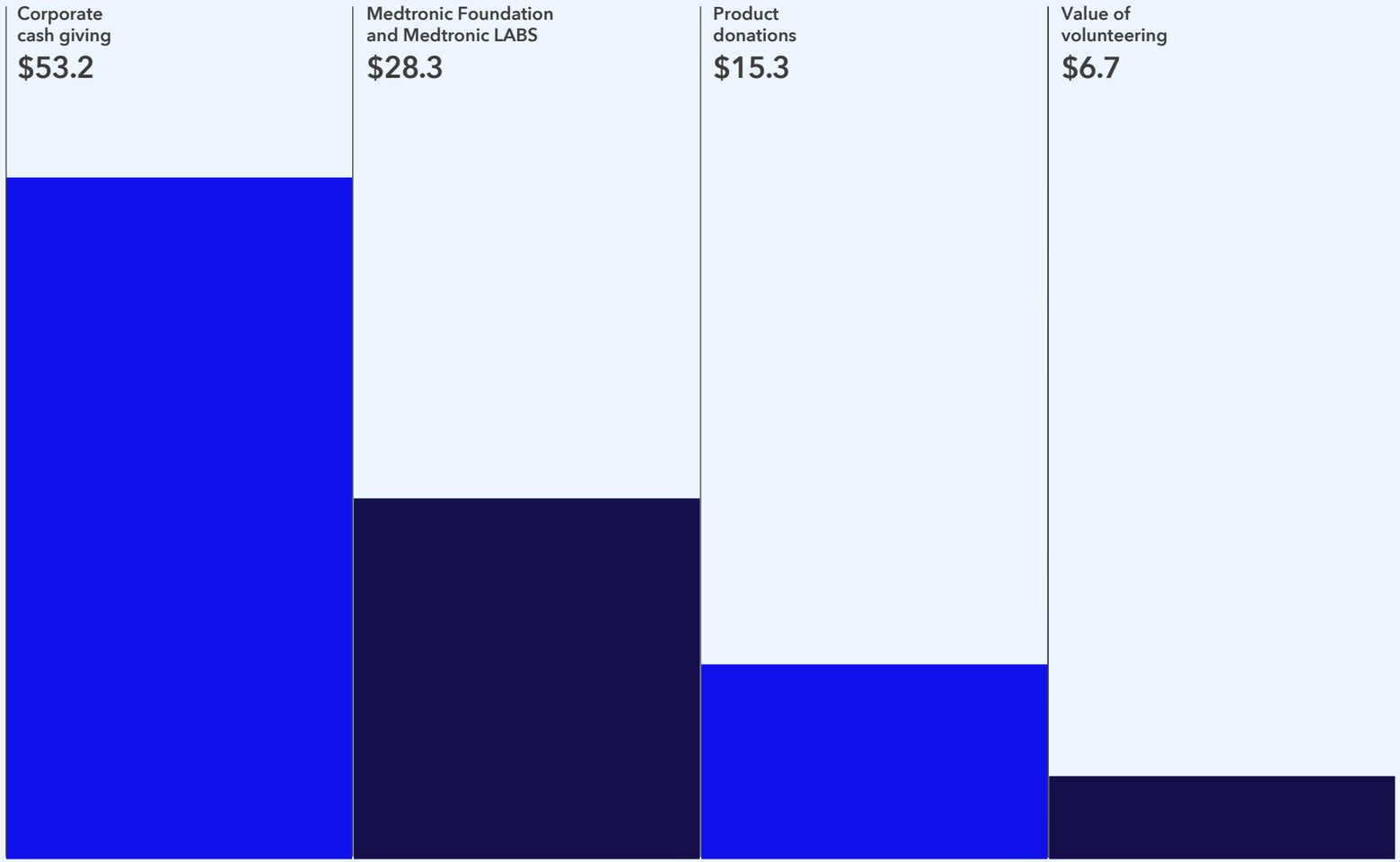
Empowering our employees to make impact

To amplify the efforts of our employees and to help them support causes that matter to them, we offer Matched Giving and Volunteer Grants, as well as tools and resources that support hands-on and skills-based volunteering in areas such as food security, animal care, environmental protection, and youth support.

Grants and employee volunteerism	FY23	FY24	FY25
Year-round volunteerism			
Volunteers	16,054	19,579	19,921
Countries	61	61	61
Total volunteer events	6,332	7,090	6,391
Total volunteer hours	190,754	184,810	198,489
Volunteer grants			
$ earned through volunteerism	994,000	1,520,000	1,460,000
Global matching grants			
Medtronic Foundation match of employee contributions ($ million)	7.4	7.8	6.6

Philanthropic contributions
U.S. $ millions[28]

$103.4



Medtronic LABS

Beyond our product portfolio, we strive to improve health equity by designing and scaling tech-enabled community healthcare solutions through Medtronic LABS.

Our approach

As a nonprofit funded by Medtronic, Medtronic LABS' mission is to: **Expand access to healthcare for patients, families, and communities across the world.** As a health system innovator, the organization works across its four priority areas:

- Strengthening health systems for underserved populations through clinical and digital capacity building at national and regional levels
- Moving past disease verticals for integrated community and primary care
- Driving measurable clinical outcomes through scalable training for health system staff on data-driven approaches to care delivery
- Harnessing the power of data science and AI to optimize health system operations

Integrating data into healthcare

By embedding technology into healthcare services, Medtronic LABS creates sustainable solutions that deliver measurable improvements in patient outcomes. Its approach is supported by SPICE, a next-gen Digital Public Good that provides users with insights on primary care management, administration, and health analytics to deliver the most effective health systems. In September 2024, we launched SPICE 2.0, our new platform for integrated primary care delivery that enables improved health outcomes, efficiency, and decision-making.

Partnering for better healthcare

Medtronic LABS collaborates with national, state, and local governments to help meet government priorities, generate value, and enhance health outcomes. In FY25, Medtronic LABS focused on scaling our programs in close collaboration with partner organizations, including:

- **The Kenyan government** – Screening for diabetes and hypertension and linking to long-term care across the country
- **The Sierra Leone government** – Integrated primary care model to strengthen community and primary care delivery across an entire district
- **BRAC** – Screening for diabetes and hypertension in remote communities and linking to facilities for case management across seven districts
- **Virtua Health** – Serving patients with diabetes and hypertension and expanding our reach across the city of Camden

We also continued our partnership with the Bill & Melinda Gates Foundation to expand our impact across disease areas and build the first integrated model for community and primary care in sub-Saharan Africa.

2.5M+

patients screened[29]

192K+

lives improved in FY25

Medtronic LABS integrates three core elements:

Digital technology

Open-source software platform SPICE designed for patients, CHWs, and healthcare providers operating in low-resource settings

Health system strengthening

Community-based teams integrated with health systems to expand the use of digital tools for screening, diagnosis, treatment, and patient engagement

Partnerships

Collaboration with health systems, governments, local innovators, multinationals, and funders to drive sustainable system-level transformation

Bridging equity gaps through tech-enabled community healthcare

Camden, a city of about 70,000 people across the Delaware River from Philadelphia, has a life expectancy gap of as much as 16 years compared to neighborhoods just 6.5 miles away. The rates of diabetes and high blood pressure are dramatically higher than in nearby communities.

To help address these disparities, Virtua Health and Medtronic LABS partnered to launch a program called Healthy Neighbor in August 2023. Healthy Neighbor is an in-home healthcare program designed to measurably improve health outcomes for patients with uncontrolled hypertension and diabetes.

Healthy Neighbor CHWs use a technology platform called SPICE from Medtronic LABS to streamline their work by capturing basic healthcare needs, tracking blood pressure and glucose over time, and flagging elevated readings for follow-up. They also help patients navigate healthcare needs, such as booking appointments, connecting patients with specialists, and helping them to manage conditions.

Since the program's launch, Healthy Neighbor CHWs have become essential partners in the healthcare system, working closely with providers to ensure that patients get the care they need.

The results from the first year were so impressive that Virtua received a grant from the city of Camden to grow the CHW team and reach more patients.

Due to the program's success and a desire to replicate it to help more patients across the country, Virtua and Medtronic LABS created a toolkit that other health systems can use to establish Healthy Neighbor programs in their communities.

> **"We've become essential to the day-to-day of these patients, constantly communicating with their providers and acting as connectors and liaisons – it's becoming a true partnership to ensure patients get the care they need."**
>
> **Fanny Ochoa, CHW, Healthy Neighbor**

Impact in first two years[30]

74%

of patients with uncontrolled hypertension achieved meaningful improvement

69%

of patients with uncontrolled diabetes achieved meaningful improvement

Planet

We recognize that human health is deeply connected to the health of our planet. Climate change poses growing risks to patients, communities, and the healthcare systems that serve them. Through responsible resource use, product innovation, and a commitment to reducing emissions across our global operations, we aim to minimize our environmental footprint and support a healthier world for future generations.

Through the lens

A look at our contribution to animal conservation

Peter Leimgruber, Director of Conservation and Science at Smithsonian's National Zoo and Conservation Biology Institute, speaks to Raman Venkatesh, Chief Sustainability Officer at Medtronic, about the Rhythm of Life project's contribution to conservation and the company's efforts to reduce its environmental impact.

Peter: The Medtronic and Smithsonian Rhythm of Life collaboration is a novel approach to conservation in its use of Medtronic-donated Reveal LINQ™ insertable cardiac monitors to better understand endangered species. How does it connect to the Medtronic Mission and sustainability strategy?

Raman: The Rhythm of Life collaboration embodies Tenet 6 of our Mission about maintaining good citizenship. For 25 years now, we've been giving new life to Medtronic products by donating them to advance science in completely different fields. It's gotten us thinking more creatively about how we can apply our Mission beyond human health and find ways to keep materials in use longer. Plus, we're making a real practical contribution to conservation by helping researchers better understand animal physiology and predict how animals will respond to environmental changes, whether natural or caused by humans.

Raman: Repurposing Medtronic devices that can't be used in patients to study the stress levels and heart rates of over 20 endangered species is an exciting application of circularity. What notable insights have come from using our technology?

Peter: Before we started using Medtronic cardiac monitors, we had no idea what a normal heart rate looked like for any of the species we were studying. Now, we can measure how their heart rates change and track their daily rhythms as they react to things like farming activities. For example, maned wolves in Brazilian savannas have higher average heart rates when they're in human-dominated areas, and they change their daily routines to avoid people. We've also figured out how long it takes for a reintroduced maned wolf or giant anteater to settle into their new environment. We're also using these monitors to observe behaviors and medical conditions of animals under human care too – we can tell when a female jaguar is ready to breed or detect when an animal is sick or injured, which will help us save lives. All the knowledge gained can be used to increase the success of our conservation efforts.

Peter: Rhythm of Life offers a great opportunity to donate Medtronic devices so they can be repurposed and reduce waste. What else is Medtronic doing to lessen its environmental impact?

Raman: In addition to energy and water, our top sustainability priorities include circularity and waste, especially in terms of packaging, product design and product stewardship. We're extending product life to reduce waste and the need for product replacements, decrease the volume of material we use, and improve product recycling, refurbishment, and reprocessing. These actions drive meaningful cost savings and improve our market value proposition while reducing environmental impact. We've made major progress in reducing packaging with improved design and material choices across high-volume product families, while continuing material reuse where it's clinically safe, such as our Nellcor™ pulse oximetry sustainability programs. We know circularity is a shared challenge in the industry, so we've also joined a wide range of partners to explore major barriers impacting sector-wide circularity.

Raman: It's great to see how this collaboration is increasing our understanding of how animals are responding to increasing environmental changes. How will the study's results be applied in the real world to enhance animal conservation?

Peter: The results provide critical new information to governments and environmental organizations on how to best manage wildlife and ensure their survival in an increasingly human-dominated world, potentially resulting in new policies and environmental practices. People like farmers and landowners are also deeply curious about our study to better understand how they can care for wildlife.

Peter: Beyond conservation work at Medtronic, how is the company prioritizing global sustainability?

Raman: Our core strategy on sustainability is about enduring value creation. We are accelerating initiatives across business operations to cut our carbon footprint and become a more resilient organization. We have validated Science Based Target initiatives (SBTi), which is driving positive change for our patients, business, and planet. Looking ahead, we want to reach net-zero carbon neutrality across operations by FY30 and net zero across our value chain by 2045 – an important and ambitious goal that we will achieve through extensive collaboration with our suppliers, customers, employees, and partners.

Peter Leimgruber
Peter is Director of Conservation and Science at the Smithsonian National Zoo and Conservation Biology Institute.

Raman Venkatesh
Raman is the Chief Sustainability Officer at Medtronic, leading our global efforts to deliver on long-term environmental impact commitments.

Our commitment to climate action

We believe that becoming more sustainable accelerates our resiliency as an organization and creates lasting value for our stakeholders.

Target	Progress
Achieve net carbon neutrality in operations by FY30	52%
Reduce Scope 1 and 2 intensity by 50% by FY25[7]	60%

Our environmental impact mission

We are committed to playing our part in addressing climate change by reducing our greenhouse gas (GHG) emissions, enabling circularity, and innovating to boost energy efficiency and minimize waste. Across our value chain, we actively collaborate to contribute to a more responsible future.

Our aim is to achieve net carbon neutrality in our own operations by FY30 and net zero by 2045. In FY25, we received validation from the SBTi for our new emissions reduction targets, confirming our strategic alignment with climate science.

Governance that drives positive impact

To support our efforts, we have put in place robust governance, risk assessment, and accountability. The Nominating and Corporate Governance Committee of our board of directors has the responsibility to oversee broad sustainability performance, including the impacts of our operations on the climate. Our executive Sustainability Steering Committee, sponsored by our chief technology and innovation officer, is led by our global director for enterprise sustainability, reporting to our chief sustainability officer, and responsible for integrating sustainability across the enterprise. In FY25, we appointed a decarbonization director, strategic senior program manager for supplier decarbonization, and senior engineering manager for product circularity. All positions join a global sustainability team working to accelerate our emissions reduction efforts.

Our decarbonization journey

2019

Defined the scope and boundary of our environmental impact, covering GHG emissions, energy, water, and waste

2020

Set 2025 performance goals using FY20 as our base year

2021

Launched a global emissions reduction program for our global distribution and logistics

2022

Joined the Carbon Disclosure Project (CDP) Supply Chain program to engage suppliers (Scope 3) and established a corporate sustainability team to advance product and packaging innovations and engage customers (Scope 3)

2023

Committed to setting emissions reduction targets through the SBTi

2024

Completed and disclosed a Scope 3 GHG inventory

2025

We received validation from the SBTi for our science-based targets:

- Reduce absolute Scope 1 and 2 GHG emissions 52% by FY30 from a FY20 base year
- Increase annual sourcing of renewable electricity from 1.29% in FY20 to 100% by FY30
- Ensure 75% of suppliers by emissions covering purchased goods and services and capital goods will have science-based targets by FY30
- Reduce absolute Scope 3 GHG emissions from upstream transportation and distribution, business travel, and end-of-life (EOL) treatment of sold products 37.5% by FY34 from a FY24 base year

Initiatives to reduce our environmental impact

To deliver on our commitment to reduce our environmental impact, we are managing our use of natural resources, seeking out efficiencies within our operations, educating our workforce on conservation, and engaging our supply chain by sharing accomplishments and best practices in an effort to catalyze more progress.

We continuously look for opportunities to reduce energy use across our operations. In FY25, we implemented a new sustainability maturity assessment for our top 85 global facilities to gain a deeper understanding of our current performance, including our Scope 3 emissions, and to help us drive strategic improvements at the site level. To support data-driven decision-making by our leaders, we also launched a digital dashboard to visualize the assessment's results.

During the year, we continued to shape a five-year facility sustainability strategy that will help us align our site-level efforts with our broader goals. Looking ahead, we plan to continue strengthening engagement with our global facility managers, further embedding sustainability into our day-to-day operations and supporting local teams to reduce energy use, water consumption, and overall emissions.

See more detailed information about our approach to energy stewardship, including our management system and stewardship, targets, training, audits, actions, and monitoring, in our GRI Disclosure.

Climate resilience and transition planning

Understanding and mitigating climate risks increases supplier resiliency – enabling consistent delivery of high-quality products and services, while minimizing disruptions and quality issues.

In FY25, our enterprise operations team identified an opportunity to significantly improve the resilience of our sites to power outages. Using the Medtronic Performance System and in partnership with corporate IT teams, we audited 61 manufacturing sites and server and networking equipment to identify gaps in our infrastructure. As of June 2025, we have replaced 37 uninterruptible power supply units that had reached the end of their useful lifespan, providing those locations with more reliable emergency systems to keep operations online until generators activate or systems can safely shut down.

Learn more

→ Reducing our environmental footprint globally

→ GRI Disclosure

Understanding our footprint

Every year, we strive to improve and better understand our emissions data, build on our efforts, and accelerate our progress.

Scope 1 and 2

During FY25, our combined Scope 1 and 2 emissions were 253,000 tonnes of carbon dioxide equivalent (tCO_2e), a 35% reduction in absolute emissions compared to our FY20 baseline. Our Scope 2 location- and market-based emissions were 199,000 and 79,000 respectively, with 62% of our electricity being sourced from renewables. We are two-thirds of the way toward achieving our 2030 near-term validated SBTi targets. Our achievements to date are reflective of our efforts to expand our use of renewable energy while reducing total energy use.

Scope 3

The majority of our emissions footprint is attributed to our supply chain, outside of our operational control. After three years of participating in the CDP Supply Chain program, we are averaging a response rate greater than 60%. In FY25, we increased the number of suppliers sharing data from 177 to 306, and the total spend those requests represent has increased roughly from 42% to 48%.

We have set an SBTi-validated supplier-engagement target of 75% for purchased goods and services and capital goods by FY30, as well as an absolute emissions reduction target for upstream transportation and distribution, business travel, and end-of-life treatment of sold products of 37.5% by FY34, from a FY24 base year.

For more information on our supplier decarbonization program, see Building a resilient supply chain.

Learn more

→ Our TCFD Disclosure

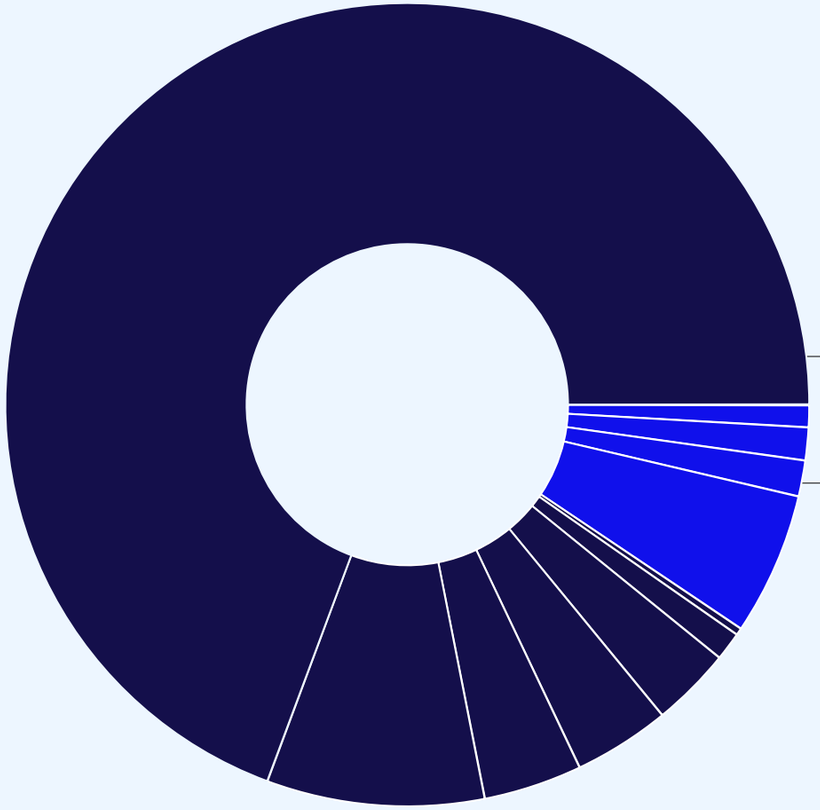
→ Our CDP Corporate Disclosure

→ Our Decarbonization Roadmap

Scope 3 emissions[33]

tCO_2e (thousands)

5,265



Upstream

4,769

Purchased goods and services **3,651**

Upstream transportation and distribution **461**

Business travel **209**

Capital goods **204**

Employee commuting **169**

Fuel- and energy-related activities (not included in Scope 1 or 2) **61**

Waste generated in operations **15**

Downstream

496

End-of-life treatment of sold products **302**

Use of sold products **77**

Downstream transportation and distribution **69**

Investments **46**

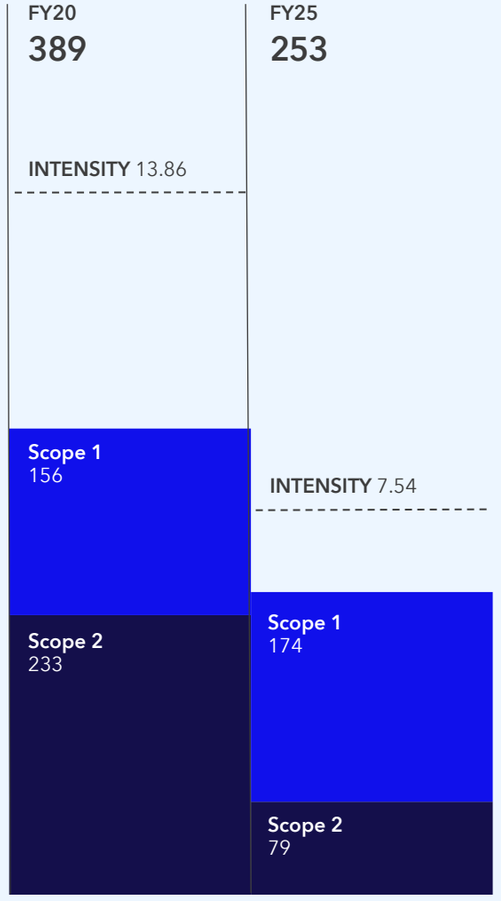
Downstream leased assets **2**

Scope 1 and 2 emissions

tCO_2e (thousands)/USD net sales

60%

intensity reduction compared to FY20 baseline[7]



Informing wildlife conservation through the Rhythm of Life

Our conservation efforts date back more than 25 years. Initially focused on American black and grizzly bears, our work now covers over 20 species. In 2018, we proudly built on this foundation by launching the Rhythm of Life initiative in collaboration with the Smithsonian's National Zoo and Conservation Biology Institute.

The Rhythm of Life uses Medtronic-donated LINQ™ insertable cardiac monitors, which collect data to help conservation scientists understand stress and heart health across numerous species.

The study generates insights into stressors, including how endangered animals respond to captivity and re-release, and helps identify environmental factors that can be addressed to create better conditions for wildlife. It also provides a new way to see and understand human impact on wildlife.

Since launching the Rhythm of Life study, more than 90 animals representing seven species have received heart monitors – including giant anteaters in Brazil (see video) and clouded leopards in Thailand – generating evidence-backed knowledge that is now making a global impact.

Collaborating beyond Medtronic

We support our progress toward reducing emissions to net zero by FY45 – and influence the behavior of others in our industry – as members of the Department of Health and Social Care's Design for Life program to support the U.K.'s National Health Service's "Delivering a Net-Zero NHS," and we participate in the National Academy of Medicine's Action Collaborative on Decarbonizing the U.S. Health Sector.

Since FY24, we have served as members of healthcare sector coalitions Collaborative for Healthcare Action to Reduce MedTech Emissions and Practice Greenhealth as an industry partner to help empower our customers, healthcare providers, distributors, and other suppliers to increase their own operational efficiencies.

Employee-led action

The Medtronic Environmental Action Group (EAG) supports our sustainability ambitions through employee-led campaigns and events, with over 20 chapters worldwide. Our global EAG community has over 2,000 members and held seven global events in FY25, alongside maintaining a quarterly newsletter and an active internal platform fostering employee engagement. Local chapters organize volunteer cleanups of parks and waterways and tree planting programs to positively impact our local communities.

During Earth Month, we held a photography competition for employees. This year's winner was Biren Kumar Sahoo, senior test engineer, for an image taken in Odisha, India.

Learn more

→ Empowering employees to lead environmental change

In FY25, we launched an Ideation Competition led by the chief sustainability officer (CSO) that was open to all EAG members. Over 100 EAG members took part, submitting 67 proposals across a range of environmental topics. These were evaluated by a panel of judges based on their originality, relevance to Medtronic, business case, environmental case, and idea maturity. The top teams were invited to participate in an ideation workshop with sustainability leaders to develop their ideas. The winning idea, submitted by Charles Taylor, was SeaTeaKeys, which are small retention tabs that reduce primary packaging thickness or weight, allowing more efficient shipping during distribution, directly reducing the carbon footprint of products.

CSO x EAG Ideation Competition

Region	
EMEA	35%
LATAM	6%
North America (United States + Canada)	37%
APAC	23%
Great China	0%

Powering our progress with clean energy

Embracing clean energy is central to our path to net carbon neutrality and net zero. By generating or sourcing renewable energy, we are able to realize our vision for a healthier planet and healthier lives.

Target	Progress
Source 50% of energy from renewable and alternative sources by FY25	50%
Reduce operational energy use intensity by 20% by FY25[34]	20%

Building on a strong track record

Since 2010, we've invested in on-site renewable and lower carbon energy systems that benefit not only the footprint of our own sites and operations, but also the local communities where our sites are located – reducing GHG emissions as well as air quality pollutants such as particulate matter, sulfur dioxide, and nitrogen oxides. For example, in Minneapolis, where our operational headquarters is located – as well as some of our major manufacturing and R&D sites – we are long-term subscribers to various community solar gardens through Xcel Energy's Solar*Rewards™* program. Through the program, we also support a 250-kW solar garden that produces solar power for other local residents and businesses.

In FY25, we sourced more than 337 GWh of renewable electricity, representing 62% of our total electricity use. Many of our solar array systems are installed on building roofs or on canopies in carports and can generate up to 50% of a site's electricity needs. In total, these systems contribute almost 26 MW of power and generate more than 23 GWh annually.

Learn more

→ Reducing our environmental footprint globally

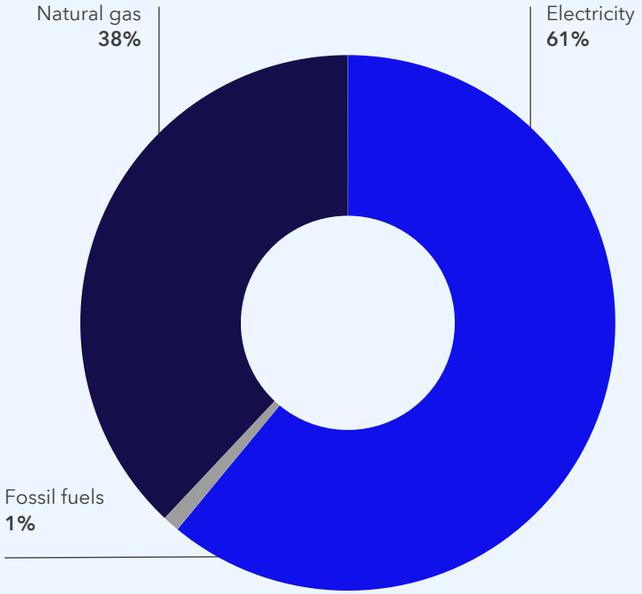
→ Our approach to energy stewardship in our GRI Disclosure

Energy and electricity power mix

GWh

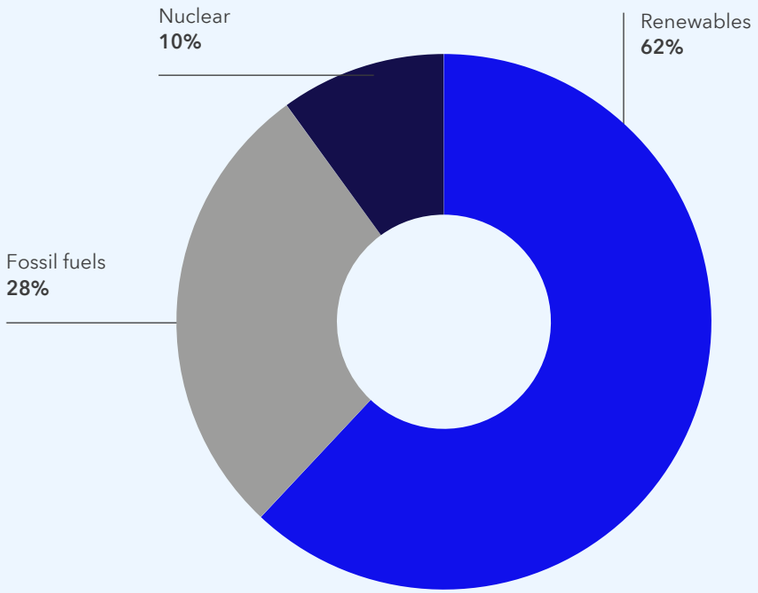
Energy mix

891



Electricity power mix

543



Accelerating decarbonization across the company

Across Medtronic, our teams are championing emissions reduction initiatives and driving decarbonization efforts forward. From installing solar panels to encouraging resource efficiency and conservation behaviors, stand-out projects in FY25 included:

- Our Energy Reduction team in Tempe, Arizona, worked with local partners and utility providers to conduct an energy audit. This resulted in $250,000 in annual cost savings driven by an 8% reduction in GHG emissions and improvement in operational efficiencies.
- A new distribution center was built in Rolo, Italy, featuring advanced technologies including solar panels that meet a third of the site's energy needs. The site is powered by 100%-certified renewable electricity, zero fossil fuels, and is a "net carbon neutral" site.
- Our Parkmore Site in Galway, Ireland, received our annual energy performance award that recognizes the top global site in year-over-year reduced energy consumption. The site reduced energy consumption in FY25 by 24%, saving 6 million kWh of energy driven by renewable energy, electrification, and efficiency projects, with a strategic focus on energy conservation culture and behavioral changes.
- Medtronic in Canada was named one of Canada's Greenest Employers for its environmental initiatives, as well as one of our surgical products, the Signia™ endoscopic stapling system with a reusable handle for up to 300 procedures, reducing single-use device medical waste.
- Our Integrated Health Solutions team continued to help hospitals improve efficiency, cut wait times, and lower the environmental impact of patient care.

Driving forward our electric vehicle fleet

We continue to drive forward the electrification of our electric vehicle (EV) fleet, and in FY25 we added 181 EVs to our fleet in the U.S. Now representing over 12% of our total fleet, these vehicles offer a substantial environmental benefit compared to a conventional mid-sized SUV and are expected to avoid 4.3 tCO_2 per vehicle per year.[35] Totaling 794 tCO_2 per year, this is equivalent to removing 170 gasoline-powered vehicles from the road.

Interest in our fleet EVs in northwestern Europe has continued to grow, reflecting the region's commitment to promoting environmental sustainability. Around 600 of our 4,000 company cars are EVs, and we expect to reach 800 units during FY26, reflecting our employees' desire to further reduce our CO_2 emissions and contribute to our overarching environmental goals.

19

sites with on-site solar arrays

7

sites enrolled in community solar gardens

1

site uses aquathermy

Reducing the impact of our products

By being intentional in our designs and our actions, we strive to use progressively fewer materials and to cut waste – doing our part and leading our industry by example.

Target	Progress
Reduce packaging waste by 25% for four targeted high-volume product families by FY25	48%
Reduce impact of paper instructions for use (IFUs) by elimination of 2,500 MT by FY30	~15%
Complete life cycle assessments (LCAs) for at least 50% of major commercialized products by FY30	~10%
Integrate circularity and eco-design criteria into the New Product Development process by FY30	~20%

Focusing our efforts

To make the biggest impact, we focus on mass-produced products where small changes, such as to packaging, can significantly reduce material use. We are also working hard to convert physical product IFUs to digital equivalents.

Driving innovation across Medtronic

Our businesses are hubs of innovation, focused on improving patient health outcomes and building resilient supply chains, while also exploring resource conservation and waste minimization opportunities in product development including through:

- **Smaller products** – Reducing product size (by weight, volume, or density) decreases the materials needed to make them, which in turn reduces waste.
- **Extending product life** – Keeping devices in circulation for longer means they are disposed of and replaced less frequently.
- **Considering end-of-life** – Keeping EOL in mind during product development helps us build devices that can be recycled, refurbished, or reprocessed.

Assessing product impact

To fully understand a product's impact, we must consider its entire life cycle. We have developed a standardized procedure, aligned with relevant ISO standards, to evaluate the product carbon footprint (PCF) of our products as well as other aspects of resource use, ecological consequences, and human health. PCFs enable us to identify emissions hotspots and implement improvements. When scaled across product families, PCFs help us to prioritize the most impactful product decarbonization initiatives – for example, evaluating the product value chain and selecting specialty materials with lower embodied carbon.

Developing paths to circular hospitals

In 2024, we joined Erasmus MC – a leading academic hospital in Rotterdam, Netherlands – along with a diverse network of industry partners, academic institutions, and NGOs to identify barriers and enablers related to circularity across the whole hospital ecosystem.

Evidence-based Strategies to create Circular Hospitals: Applying the 10-Rs framework to healthcare is an interdisciplinary project funded by the Dutch Research Council and Medtronic. The project is exploring opportunities to replace single-use plastic consumables, reduce demand on virgin materials, cut CO_2 emissions, and transition to a more circular health system.

In the first year of the project's five-year span, researchers explored opportunities to embed circularity into the design of oximeters and needle catheters through innovative approaches to product design, material use, and disposal. By taking a multidisciplinary approach to co-design, validate, and implement evidence-based interventions, we're helping to create robust and financially viable solutions that can be scaled regionally, nationally, and globally.

A sensor's "circular" journey

* Sensors are counted by hospital for customer sustainability reporting and program credits.

Trusted quality, circular product

Our long-standing commitment to responsible resource use includes developing ways for products and materials to remain in use for longer.

We support item reuse where we believe it is clinically safe with appropriate quality controls and regulatory approvals. For example, our Acute Care & Monitoring business unit's Nellcor™ pulse oximetry solution offers a recycling and reprocessing program, giving customers the flexibility to choose the right mix of services to meet their needs – without compromising the quality of patient care. These services include:

- Sensor Collection and Recycling: We collect and recycle used sensors from qualifying hospitals, diverting them from landfills.
- Rebate Issuance: We offer quarterly rebates for the collected and recycled used sensors.
- Sensor Reprocess: For every qualifying sensor collected, customers can purchase one reprocessed sensor at a competitive price. Each sensor journeys through original equipment manufacturer (OEM) specification checks to ensure the same quality and accuracy of a new sensor.
- Blended Code "Sustainability+" Procurement: Customers can easily procure both new and reprocessed Nellcor™ pulse oximetry sensors with one simple SKU to streamline their operations.

The Nellcor™ reprocessing program provides "white-glove," in-hospital service to collect sensors free of charge on a weekly basis. In FY25, Medtronic served over 1,000 hospitals across the U.S. Through the program, we diverted over 474,000 pounds from landfill and produced approximately four million reprocessed sensors.

Product take-back by-the-numbers

# of devices	FY23	FY24	FY25
CareLink™ Monitors returned	210,300	263,900	196,000
Nellcor™ reprocessing and recycling	5,912,600	6,999,900	7,503,600
InterStim™ Verify™ ENS harvested	N/A	26,000	63,500
Single-use surgical devices collected	N/A	435,000	522,000

474,000+

pounds of waste diverted from landfill through Nellcor™ pulse oximetry reprocessing program in FY25

8.3M+

product units collected through take-back programs

Targeting more sustainable packaging

We collaborate across our businesses to accelerate the development of sustainable packaging solutions, allowing us to reduce waste and deliver cost savings. In FY25, we surpassed our goal of a 25% reduction in packaging materials in targeted high-volume product families, reducing it by a total of 48%.[36]

Packaging innovation highlights in FY25 included:

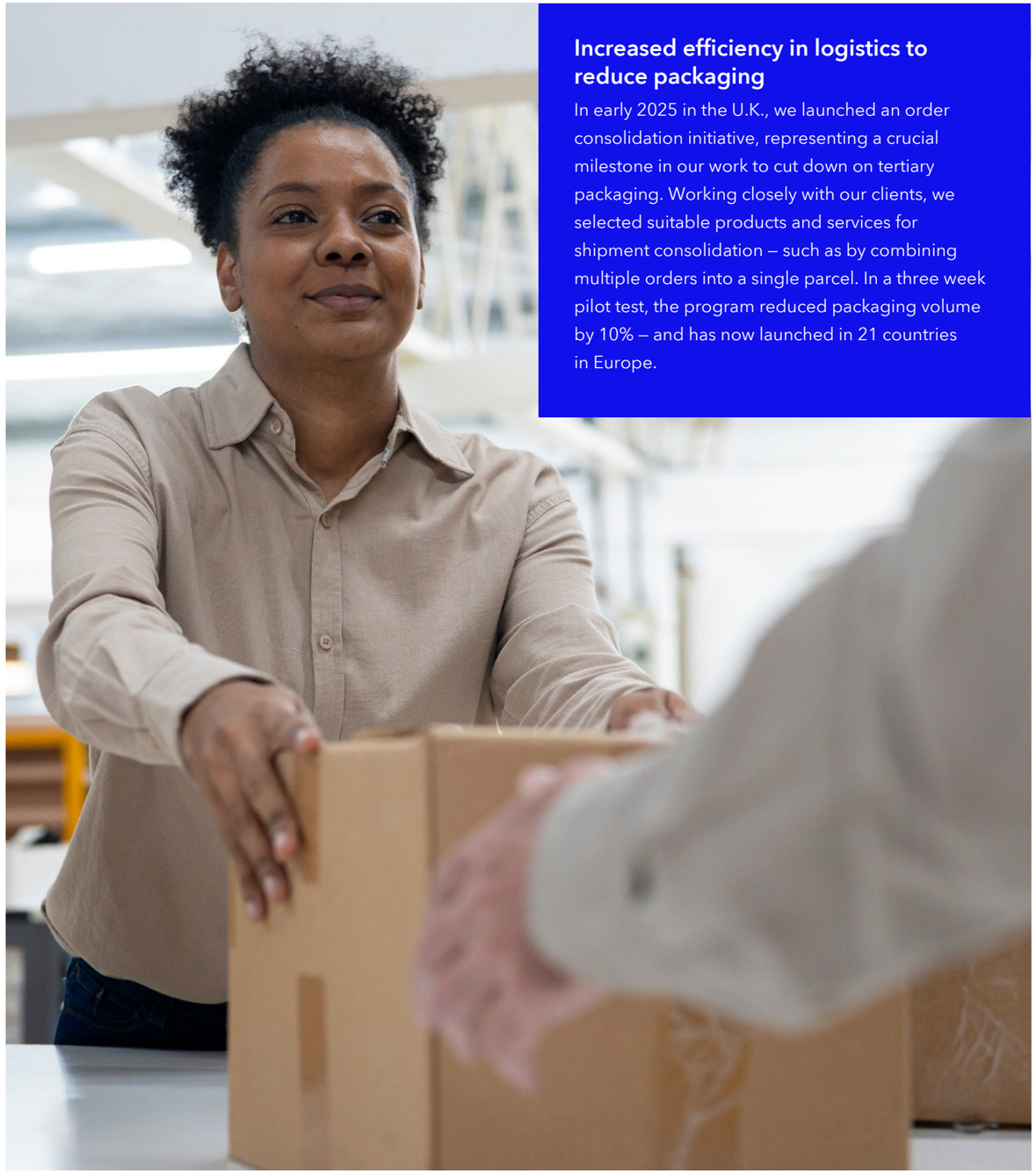
- **Diabetes pump packaging:** We reduced material weight by 66%, made the outer box and inner insert packaging fully recyclable, and reduced component transportation by 99% with local sourcing. In FY25, we implemented these changes in two regions and plan to continue our global rollout.
- **Spine set screw packaging:** We reduced packaging material weight by 37% through material reduction and design optimization, reducing the size of the packaging configuration, resulting in a more optimized pallet stack and increasing the number of products per pallet by 33-67% (depending on the site).

We made additional progress during the year, including:

- **Product improvements:** Through market feedback, we identified a seldom-used, single-use disposable component from select Tri-Staple™ products and removed it from the finished good assembly, reducing material waste by 1.5 tons.
- **Scrap reduction in operations:** We replaced a single-use testing accessory with a multi-use alternative, eliminating 0.71 tons of waste annually.

Transitioning away from printed device instructions

Our enterprise operations teams are leading a transition to eIFUs for product packaging. In areas where it is permitted, by moving away from paper, we are able to help address thousands of kilograms of waste each year. For example, we have partnered with our Cardiac Rhythm Management (CRM) business unit to create eIFU-only packaging for 70% of the total volume of CRM devices and device leads. When the project completes, we expect it will have eliminated more than 136,000 kg of paper waste annually.



Increased efficiency in logistics to reduce packaging

In early 2025 in the U.K., we launched an order consolidation initiative, representing a crucial milestone in our work to cut down on tertiary packaging. Working closely with our clients, we selected suitable products and services for shipment consolidation – such as by combining multiple orders into a single parcel. In a three week pilot test, the program reduced packaging volume by 10% – and has now launched in 21 countries in Europe.

Responsible resource use

We are determined to reduce pressure on finite natural resources by extending the life of the materials we use and reducing the amount of waste that goes to landfill.

Target	Progress
Reduce operational waste generation intensity by 15% by FY25	21%
Reduce purchased operational water use intensity by 15% by FY25	19%

A responsible approach

Everywhere we operate, we work to comply with relevant local, regional, and national waste management laws and regulations. This includes managing regulated waste, hazardous waste, chemical waste, universal waste, and other classes to minimize environmental impacts.

Across Medtronic, our dedicated teams are innovating to find ways to reduce waste within our operations. For example, a team at our Ponce, Puerto Rico facility, implemented a successful waste-hauling reduction project that resulted in an 86% reduction in domestic municipal waste transportation from FY23 to FY25 and a 70% reduction in the associated GHG emissions related to hauling services and recycling.

In FY24, we were proud that our Galway, Ireland Pharma and Microbiology teams achieved My Green Lab certification. Recognized by the U.N. Race to Zero campaign and considered the gold standard for laboratory sustainability best practices, the certification demonstrates our teams' commitment to excellence.

In FY25, our Pharma team moved to a new building to facilitate further improvements, including installing heat pumps, generating electricity through solar panels, adding EV charging stations, and deploying more energy-efficient equipment. Our Microbiology team also drove performance forward, including digitizing additional processes, reducing waste, and replacing a laminar air flow unit with another that uses 60% less energy.

Handling materials safely

Materials of concern (MOCs) are substances that have the potential, if not managed correctly, to negatively impact people or the environment. Our understanding of these potential risks is always expanding. Some MOCs are necessary for manufacturing processes or the functional requirements of our products. Whenever we use an MOC, we ensure we uphold stringent quality, environmental, health, and safety requirements.

We adhere to global regulations governing the use of MOCs and take an active approach to ensuring we remain compliant with evolving regulations. Our internal MOC Policy guides our approach to evaluating and managing these substances during product development. Where possible, we minimize or eliminate the use of MOCs.

In response to evolving regulatory requirements and market conditions relating to certain per- and polyfluoroalkyl substances (PFAS), we are evaluating the use and, in some applications, potential alternative materials for specific PFAS substances. In addition, we have begun designing devices without phthalates, alongside investigating new polyvinyl chlorides (PVC) alternatives.

Managing our water use

We recognize access to clean water and basic sanitation as a critical global issue. For this reason, we maintain a water management system that tracks our direct consumption and usage, our direct withdrawal, and our direct discharge of water to the environment. Our aim is to ensure availability and sustainable management of water and sanitation for our entire workforce.

To guide our efforts to safeguard water resources, each of our manufacturing facilities has set tailored water use reduction goals. They also leverage data analysis tools to track progress against those goals. In FY25, we purchased over 1,910,000 cubic meters of municipal sourced water, an approximately 3% absolute reduction and 19% intensity reduction since FY20. As such, we have surpassed our goal of a 15% reduction in purchased operational water use intensity, and have raised the target to 30% by FY30. See our GRI Disclosure to learn more about our water efficiency management system, as well as our efforts to improve water recycling and wastewater quality.

While we are not a large consumer of water for purposes of manufacturing or distributing our products, we believe it is valuable to understand water scarcity risks at a local community level. To do this, we leverage the WRI's Aqueduct Water Risk Atlas database, the WWF's Water Risk Filter, and Ecolab's Water Risk Monetizer to gain insight into water risk indicators such as baseline water stress, flood occurrence, and drought severity, perform climate and water scenario analysis, and assess water efficiency opportunities.

Learn more

→ Our CDP Corporate Disclosure

→ GRI Disclosure

Addressing AI's environmental impacts

We use AI and machine learning (ML) to improve patient outcomes and experiences and to accelerate efficiencies in healthcare systems. We are committed to deploying these tools responsibly and to managing the environmental impact of our use.

How we are using AI

As a downstream user of generative AI, we employ large language models (LLMs) to enhance our productivity and automation initiatives. Our use of LLMs is less resource-intensive than in their development and training.

We also use ML and deep learning techniques in our medical products, which do not have the same resource impact as generative AI and LLMs.

Addressing the impact of our use

We recognize the significant and growing energy and water demand that comes with the growing prevalence of AI use around the world.[37] As part of our sustainability strategy, we are committed to mitigating the environmental impact of our use of AI.

We are working to offset the inherent carbon footprint that comes with the global use of AI in the following ways:

- Our data centers are transitioning to renewable energy sources, including those in Woodbury and Mounds View, which in FY25 became the first Medtronic data centers to complete the transition.
- We have signed a virtual purchase power agreement to source renewable electricity for our North American operational electricity energy load. We are exploring VPPAs in other geographic regions as well, in effort to cover our global operational electricity demand by FY30.

See Powering our progress with clean energy for more details.

Beyond energy use, AI computational capabilities require significant cooling, which increases water use. As a downstream user, our total operational water use is relatively small. However, we remain focused on sourcing, using, and discharging water responsibly to reduce our environmental impact. We have set operational water use reduction targets at our manufacturing facilities and we track progress toward them. See Responsible resource use for more information.

Unlocking efficiencies through AI

Our AI Center of Excellence is focused on strengthening our enterprise-wide AI skill set to more effectively use AI in our day-to-day work, while also creating partnerships to leverage efficiencies that have the potential to offset the environmental impact of usage, such as through broader data sharing and use to accelerate product innovation. We also believe that by selectively incorporating automation and AI to drive operational efficiencies, we can shift to ways of working that conserve power, to an extent mitigating our overall energy use.

Responsible business

We believe how we achieve results is just as important as the results themselves. Our products and partnerships are grounded in strong governance, ethical conduct, and a commitment to doing business the right way. By empowering our people to act with integrity and accountability, we protect patients, build trust with stakeholders, and strengthen the long-term resilience of our business.

Through the lens

A look at suppliers as vital ethical partners

David Kirk, President and CEO of Murata North America, a Medtronic supplier of electronic components, speaks with Tara Shewchuk, Chief Privacy, Integrity, and Compliance Officer at Medtronic, about how supply chain partnerships are essential to the Medtronic Mission and doing business the right way.

David: As a Medtronic supplier for over 15 years, our success is shared because we've seen how our partnership helps us accomplish our own organizational objectives. What role do suppliers like Murata Manufacturing play in bringing the Medtronic Mission to life?

Tara: Murata Manufacturing plays a vital role in advancing the Medtronic Mission by embodying the values we hold most dear – especially putting patients first and committing to the highest standards of quality, ethics, and integrity. We choose partners like Murata because you share our focus on safety, quality, and ethical responsibility, ensuring that every product reflects our shared purpose. Murata's alignment, particularly in areas like product quality, human rights, and environmental responsibility, also reinforces our ability to deliver on our Mission with confidence and accountability.

Tara: We're committed to creating a positive impact on people and the planet – it's why we partner with suppliers like you who share that commitment. How does Murata bring that commitment to life, and how has Medtronic supported those efforts?

David: Planning for environmental impact mitigation and reduction has become part of the process for all decision-making within Murata. Activities that benefit society are part of our SHAZE – our company Mission – and we are strongly committed to achieve our plans for transition to renewable energy and elimination of carbon emissions well before our original 2050 plan. Our environmental commitment is built on our foundational commitment to human rights – without building a culture of mutual respect, we wouldn't be ahead of our 2050 plan. Medtronic supports us by sharing that commitment and promoting best practices among its suppliers. In addition, subscribing to key data collection and reporting organizations such as the Carbon Disclosure Project (CDP) and EcoVadis enables efficient information sharing and standardized reporting.

David: In 2024, we joined the Medtronic Supplier Advisory Board to strengthen our collaboration and share insights that drive responsible practices. How is Medtronic engaging with its suppliers to build a resilient, ethical supply chain? Why is this work important to manage business risks and opportunities while ensuring compliance?

Tara: For us, building a resilient and ethical supply chain starts with a shared commitment to integrity, transparency, and accountability. In our Supplier Code of Conduct, we set clear expectations for legal compliance, anti-corruption, environmental stewardship, and human rights. Our Supplier Advisory Board is another way in which we engage partners like Murata in open dialogue to strengthen responsible practices and manage risk across the supply chain.

Across our supplier ecosystem, we foster a speak-up culture so everyone that touches a Medtronic product feels empowered to raise concerns through tools like our global Voice Your Concern (VYC) Line. By encouraging early detection and mitigation of issues, we reduce risk and free up resources to focus on what matters most: serving patients safely and ethically.

Tara: It's exciting to hear about your participation in the Supplier Advisory Board. Medtronic suppliers play a vital role in our operations, so we really value your input. What are a few notable takeaways from this experience and how can Medtronic continue to support suppliers?

David: Since the board comprises Medtronic suppliers from different disciplines, the experience has broadened my perspective, especially when discussing common issues such as tariffs, geopolitical challenges, and supply chain resiliency. I enjoy knowing that each member would bring a vision of the best practices that apply to their areas of competence, and through these meetings we all gain insights that could only be realized through the collaboration of such a diverse group.

David: The work by Medtronic to accelerate suppliers' sustainability performance and the adoption of best practices is crucial to improving our collective impact. How does supplier engagement relate to the larger impact work across patients, people, and the planet led by Medtronic?

Tara: We believe that meaningful impact requires trusted, collaborative partnerships – and engaging suppliers like Murata is essential to advancing our shared commitment to responsible ethical business and sustainable performance. Murata sets a gold standard for CDP disclosures (as an "A-list" company), sustainability, and approach to conflict minerals.

By working with partners who understand our business and the risks we face, we can address shared challenges and drive innovation. It also reflects Tenet 6 of the Medtronic Mission: to be a good corporate citizen – and helps ensure we deliver results the right way. When every part of the supply chain moves with purpose and integrity, we amplify our collective impact. Because as the saying goes: "If you want to go fast, go alone. If you want to go far, go together."

David Kirk
David is President and CEO of Murata North America and was recently appointed Vice President at Murata Manufacturing (Japan).

Tara Shewchuk
Tara is Chief Privacy, Integrity, and Compliance Officer at Medtronic and leads our global ethics and compliance efforts.

Strengthening and protecting our business

Strong board leadership and risk awareness help us engineer outstanding products and solutions by identifying, addressing, and preventing risks using regulatory insights and diverse data sources.

Guided by our board

As of the end of FY25, our board comprises nine independent directors and our CEO, Geoff Martha. Mr. Martha serves as Chairman of the Board, and Craig Arnold serves as our lead independent director.

Independent directors make up the board's standing committees:[38]

- Audit
- Compensation and Talent
- Finance and Financial Risk
- Nominating and Corporate Governance
- Quality
- Science and Technology

The Nominating and Corporate Governance Committee of our board, alongside other board committees when applicable, oversees our impact practices and regularly reviews priority sustainability topics and initiatives. See Governance that drives positive impact for more information.

Strengthening board composition

Each board director has unique experience, skills, and background – equipping us with the variety of thought needed to identify and understand stakeholder needs and enhance company decisions.

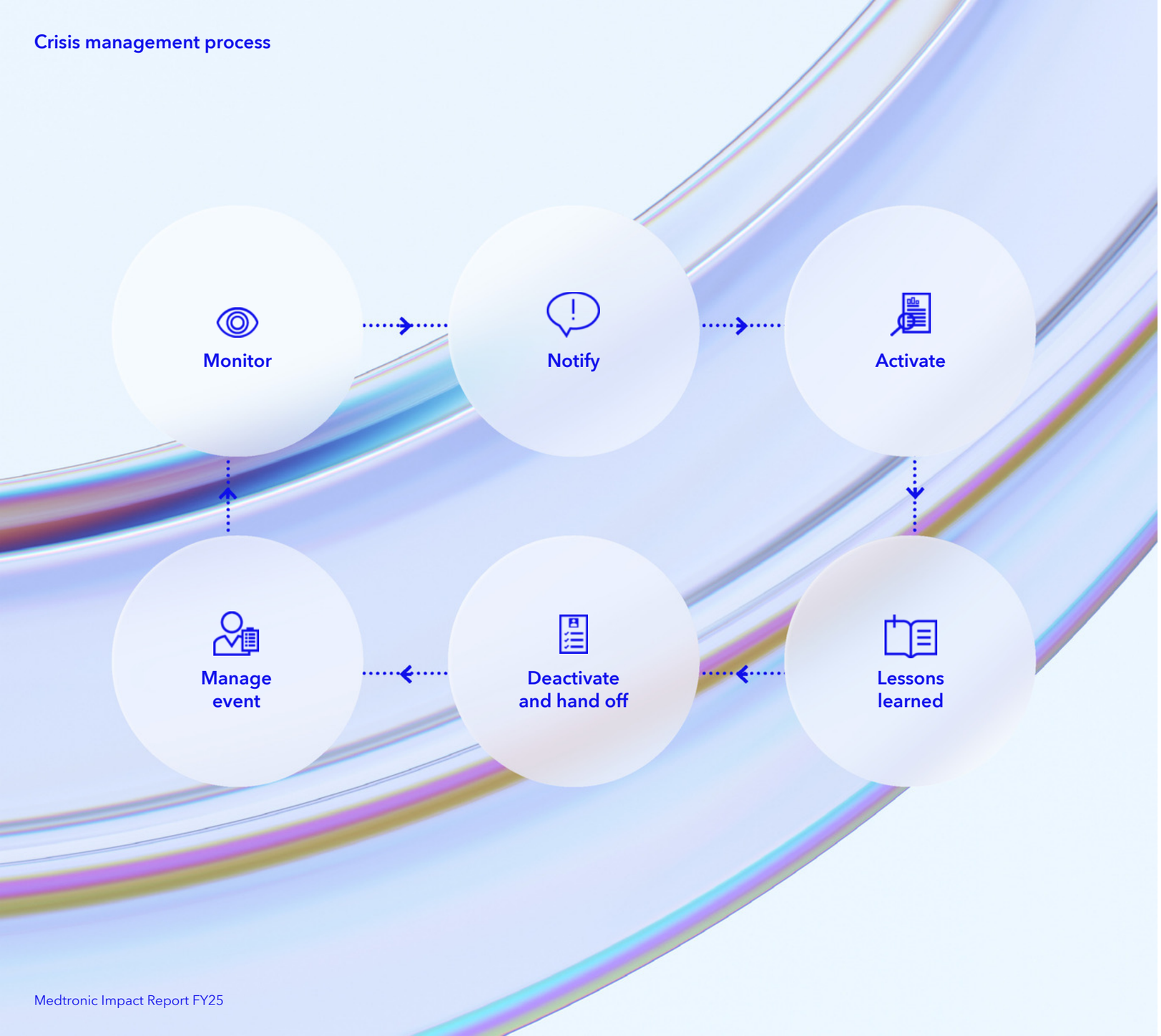
When evaluating individuals to serve on our board, we consider various factors, including diversity of skills, experience, and community involvement. Our Board Diversity Policy and Principles of Corporate Governance outline the principles and processes through which the Nominating and Corporate Governance Committee assesses the appropriate mix of board diversity and evaluates candidates. In FY25, 30% of our board were women and 30% were ethnically diverse.

Learn more

→ Our impact strategy

→ Our latest Proxy Statement

Crisis management process



Mitigating business risk

Through our Global Command Center and dedicated Enterprise Risk Management (ERM), Crisis Management, and Business Continuity teams, we identify threats early and prepare for disruptions – such as political unrest, infrastructure failures, and extreme weather – to minimize business impact and patient care disruptions. Our resilience strategy focuses on proactive response and includes:

- **ERM:** Ensuring consistent risk oversight across Medtronic, reporting to executive risk sponsors and Audit Committees periodically. Embedded within strategic planning, ERM enables the identification, prioritization, and mitigation of our highest potential impact, whole-of-business risks.
- **Business Continuity:** Mapping critical products and services for rapid response and resilience. Recognized for supply chain transparency with the Healthcare Industry Resilience Collaborative Transparency badge.
- **Crisis Management:** Coordinating entity-wide responses to impactful events and crises. Our Crisis Management team is supported by the Medtronic Risk Intelligence Center, which operates 24/7, 365 days of the year.

Crisis Management teams structure

Corporate

Corporate functions and business groups provide strategic guidance and coordinated support to countries and sites.

Regional

Regional crisis teams provide consistent and timely corporate support during crisis events.

Local/site

Local teams provide coordinated response to events impacting areas of significance to Medtronic.

Ingraining integrity, from top to bottom

Ethics is the foundation of everything we do. Our commitment to delivering results the right way begins at the top and cascades throughout our organization. Our dedicated teams support employees to make informed, ethical decisions and deliver results responsibly.

Putting our values into practice

Our Office of Ethics & Compliance (OEC) oversees ethics policies and programs, ensuring ongoing alignment with our values, relevant regulations and industry codes. The OEC engages regularly with our board, CEO, and Executive Committee. Reporting directly to the Audit Committee, our chief privacy, integrity, and compliance officer provides quarterly updates and holds executive sessions.

In addition, our dedicated Ethical Culture team supports managers with tools and resources to effectively lead their teams through ethical discussions and decisions. The team's efforts have been rewarded by rising scores for ethical culture in our employee surveys.

In FY25, we joined Galvanizing the Private Sector, a public–private initiative to fight against corruption globally that is managed by the Organization for Economic Cooperation and Development (OECD). Our chief privacy, integrity, and compliance officer was also named to the Anti-Corruption Leaders Hub, which includes more than 70 chief compliance officers from multinational companies, high-level government representatives, and civil society leaders, all committed to developing solutions to combat corruption.

Encouraging employees to speak up

Our culture of speaking up directly impacts patient safety and their trust in us. It also deepens our culture of innovation by inviting all voices to contribute.

Employees can seek ethical guidance and report concerns through multiple channels, including their manager, HR, legal or compliance representatives, the board's inbox, the VYC Line, and exit interviews. Since 2021, our Everyday Ethics Champions program has empowered an employee at most manufacturing sites to act as a local expert and trusted contact. Our VP of compliance investigations, governance, and strategy oversees all reporting processes.

The VYC Line is available 24/7 for ethics concerns or advice. Once a report is made, the investigations team discreetly assesses and addresses all concerns, with remediation actions taken as needed.

We promote awareness of the VYC Line through regular communications tailored by audiences. For example, at our manufacturing sites, we launched an analog campaign that included restroom posters and the Badge Buddy program. As a result, we've seen increased awareness of the program and increased use of the VYC from these sites.

We analyze root causes of misconduct to help prevent future incidents. Our OEC investigates reports and serves on our Disciplinary Action Committee alongside business leaders, HR, and employee relations to ensure fair and consistent treatment during investigations.

These efforts boosted employee confidence in speaking up, with 1,281 concerns raised to our VYC Line in FY25, and 2,083 total concerns raised through all reporting channels combined. Among substantiated concerns, most led to coaching and additional training. In FY25, 305 employees were terminated for ethics- and compliance-related infractions, largely consistent with 308 terminations in FY24.

Learn more

→ How we put patient safety first

Harnessing and understanding AI to uphold integrity and manage risk

We recognize that the rapid development of AI offers opportunities for us to deploy it in service of our ethical workplace culture. For example, we are developing a generative AI-driven chatbot that will help employees quickly find information about ethics and compliance without needing to research our policy documents directly. We also are developing AI-powered tools to analyze expense reports to better assess risk.

Our Ethics and Compliance team assesses use of AI to help ensure appropriate governance. In addition, our Global AI Policy, launched in April 2025, is designed to steer and govern all of these efforts.

Ethics and Integrity Week FY25

Each year, Medtronic hosts an Ethics and Integrity Week, a company-wide communication and activity campaign to raise awareness of our fundamental commitment to doing business the right way.

In FY25, our Ethics and Integrity Week featured coordinated activities around the world with a strong focus on innovation and patient safety. Designed to deepen the recognition that we all contribute to innovation, quality, and patient safety, the event included an interview with Erika Cheung, one of the Theranos whistleblowers. The event, which included follow-on Ethics Circle content to be deployed in small-group settings, aimed to encourage everyone to feel able to speak up.

Promoting shared responsibility

Every employee, officer, director, and business partner is accountable for understanding and upholding our Code of Conduct. We provide the Code in 22 languages and deliver multilingual Code training, requiring everyone to certify their understanding. We further encourage employees to report concerns without fear of retaliation.

We incorporate ethics and compliance reviews into our due diligence and integration procedures for all mergers and acquisitions. We hold employees and third parties accountable to our high standards.

A leader-led model for ethics

We follow a leader-led model where everyone shares responsibility for compliance.

Employee interactions with healthcare professionals (HCPs) is a key compliance risk area, which is regulated by our Global Business Conduct Standards Policy. The policy adheres to global legal and ethical standards from AdvaMed™*, MedTech Europe, and APACMed.

To support ethical leadership, we created data dashboards for U.S. sales leaders to help identify outlier HCP interactions within their teams and provide toolkits to guide team discussions and corrective action plans.

Ethics engagement

We believe being vocal about ethics, both as a company and among employees, builds responsible business practices that earn trust from patients, stakeholders, and communities. We strengthen ethics awareness through several initiatives:

- **Ethics and Integrity Week:** An annual, company-wide event featuring educational activities and resources.
- **Everyday Ethics:** Monthly five-minute ethics discussions for managers to use at our manufacturing sites in daily briefings, featuring real scenarios and practical guidance for employees.
- **Ethics Circles:** Small peer-group discussions held year-round to build ethical decision-making skills through common ethics scenarios.
- **HiFi Ethics Podcast:** A story-driven podcast exploring real ethical challenges across the company. Core messages are regularly posted on our internal social media platform to maintain ongoing engagement.
- **Hypothetically Speaking:** A series of short videos following the adventures of Medtronic sales employees, the situations they encounter, and how they navigate staying on the right side of situations and resolve ethically ambiguous situations.
- **Organizational Health Survey (OHS):** Includes questions on ethics to understand employee perspectives and guide improvement plans.
- **Ethical Culture Toolkit:** A resource with over 25 materials for leaders and employees to integrate ethics into operations and strategic planning.

3,800

monthly conversations held at manufacturing sites, on average, in FY25, on ethics through our dedicated ethics awareness and engagement initiatives

98.9%

of employees completed Code of Conduct training and certification

3rd

year running that we were selected as one of the World's Most Ethical Companies™* by Ethisphere™*

A firm stance against corruption

We combat corruption by embedding strong anti-bribery measures, upholding ethics, mitigating risks, and building stakeholder trust.

Embedding business ethics

The Medtronic board oversees our anti-bribery and corruption (ABAC) program. This program is sustained by 169 full-time equivalent employees, and is continuously improved with insights from regulators, audits, and best practices. Our Code of Conduct and Global Anti-Bribery and Corruption Policy prohibit bribery and facilitation payments, and regulate gift exchanges globally.

We communicate our high standard for ethical and responsible conduct with regard to corruption and bribery through policies, guidelines, and regular training for all employees and contractors. Newly hired sales staff receive initial training within 60 days and ongoing sessions throughout their first year. All employees undergo refresher training every three years.

99.9%

of employees completed anti-corruption and bribery training in FY25

1,100

third-party distributors received anti-corruption and bribery training in FY25

Aligning our distributors and partners on anti-corruption

Where feasible, we expand our direct sales infrastructure to reduce reliance on third-party distributors. This approach helps prevent corruption and bribery through increased oversight and control of our sales process, greater accountability, and unified policies across our activities. To reduce our third-party distributor risk, we regularly assess our network and ensure our internal commercial Distributor Relationship Owners hold distributors accountable to ABAC requirements.

To partner with Medtronic, distributors must adopt anti-corruption programs and align with our ethical standards. Our requirements include:

- Annually committing to abide by their adopted Code of Conduct
- Completing anti-corruption training at least every two years
- Supporting and monitoring compliance, including conducting on-site audits and monitoring
- Assessing corruption potential prior to renewing or entering contracts
- Assigning a senior leader from their management team to oversee their organization's ethical practices
- Addressing Medtronic-specific reporting requirements
- Implementing their own compliance program

We support our suppliers to adopt best practice standards by providing sample codes and multilingual resources. In FY25, we launched a new training platform to better deploy consistent and effective content to our distributors. We also enhanced our distributor dashboard to review risk across our channel from a variety of data sources, enhancing our risk identification and prioritization.

The Medtronic Compass Awards

Every year, deserving Medtronic employees are awarded a Compass Award for championing our Code of Conduct and demonstrating integrity in their actions. In FY25, four employees and three teams received an award.

Learn more

→ How we celebrate our employees

Supply chain responsibility

We promote the health of people and planet by advancing responsible sourcing practices that support environmental stewardship, ethical conduct, and human rights. We work closely with partners that share our values to create a more responsible supply chain.

Building a resilient supply chain

As a global healthcare technology leader, we prioritize ethical business practices and collaborate with suppliers who share this commitment. Our Global Supply Management team ensures excellence, sustainability, and fair labor practices in supplier relationships, assessing performance on environmental, human rights, and ethics issues. In FY25, we spent approximately $15.4 billion with 56,000 suppliers across more than 120 countries, and our procurement approach ensures we responsibly deliver safe, effective products and therapies for patients worldwide.

Our Responsible Supply Management program aligns with international standards, including the OECD and United Nations Guiding Principles on Business and Human Rights.

In FY25, we expanded and strengthened our Global Supplier Standards, replacing them with a new Global Supplier Code of Conduct. This update reflects our evolving priorities and underscores the critical role of sustainability in our shared success. The new Supplier Code of Conduct includes:

- Enhanced environmental responsibility to align with the latest science, focusing on reducing emissions, setting science-based targets, and transitioning to renewable energy sources
- Expanded guidance on critical areas such as responsible minerals, child labor prevention, health and safety, and transparency and reporting
- Annual reporting – suppliers are required to track and report progress annually, ensuring accountability and transparency

To support our supplier decarbonization program, we began assessing our suppliers for their readiness to decarbonize their emissions. Over the next five years, we will engage with 75% of suppliers by emissions, from Scope 3 categories 1 and 2, to set their own science-based emissions reduction targets. To learn more about our approach to supply chain sustainability, including setting science-based targets and fostering supplier participation in CDP, see Our commitment to climate action.

Adopting industry best practices

We collaborate with industry peer groups to accelerate the adoption of supply chain best practices, including the Responsible Minerals Initiative, Medical Device Industry Peer Group, Scope 3 Peer Group, National Academy of Medicine Climate Collaborative, and Collaborative for Healthcare Action to Reduce MedTech Emissions.

Identifying and prioritizing risk

We use our Supplier Risk Mapping tool to help us determine inherent supplier risk levels. The tool's methodology considers industry and geographic region, alongside our supplier spend, to create a priority list of suppliers that should undergo third-party assessments and audits. We move suppliers with inherent high-risk scores and high spend into our Supplier Sustainability Performance program, and where we identify noncompliance, we work with those companies to mitigate and eliminate issues.

Further, our Global Human Rights Framework and supporting due diligence processes help us to identify and prioritize our most significant human rights risks, including from our:

- Direct suppliers (e.g., Tier 1 suppliers of raw materials and finished goods) and their suppliers
- Indirect suppliers (e.g., suppliers that provide us with products and services)
- Medtronic-owned and -managed facilities, including our staff and contractors

Our ongoing human rights due diligence and risk mitigation activities are reported to senior executives.

Since FY18, we have assessed 796 direct and indirect Tier 1 suppliers, representing 64% of our annual supplier spend. To enhance oversight of supplier sustainability performance, our Responsible Supply Management function has developed a dedicated dashboard that provides internal stakeholders access to supplier sustainability performance ratings, CDP performance, and conflict minerals metrics.

Sourcing materials responsibly

Some of our products contain tin, tungsten, tantalum, or gold – known collectively as 3TG metals. In the Democratic Republic of Congo and neighboring countries, mining and processing of these metals has been linked to funding armed conflict. Wherever we use 3TG metals, we strive to do so responsibly and transparently, aspiring to obtain minerals only from socially responsible sources. We also work closely with our suppliers to promote the use of responsibly sourced minerals.

As part of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act), we expect all our suppliers to comply with Securities and Exchange Commission (SEC) requirements related to conflict minerals. Following Section 1502 of the same act, we annually report our supplier survey results in a dedicated Conflict Minerals Report to the SEC.

In addition to this, we:

- Require suppliers to comply with the law and uphold responsible sourcing practices
- Monitor our suppliers' performance and compliance with our Responsible Minerals Policy
- Reference conflict minerals in supplier agreements and purchase orders
- Participate as a member of the Responsible Minerals Initiative
- Exercise due diligence and follow OECD guidance on conflict minerals – including surveying suppliers to collect data on smelters in their supply chains
- Require suppliers to maintain a publicly available responsible minerals policy consistent with the OECD
- Report our due diligence activities to stakeholders and the Steering Committee

We are also preparing to expand our Responsible Minerals program to include four additional minerals.

"At Medtronic, we are committed to upholding human rights, advancing environmental sustainability, and maintaining the highest ethical standards. As true partners in our Mission, our suppliers reflect our values, and we hold them to the same high standards we set for ourselves."

John Klein, Chief Procurement Officer

Maintaining an effective audit program

We partner with a third party to audit supplier workplace conditions, labor practices, health and safety, management systems, environment, and business practices. To reduce audit fatigue, we accept alternative third-party-verified audits for high-risk suppliers.

Our Supplier Sustainability Assessment program monitors compliance and prioritizes high-risk suppliers using self-assessment and audits across four areas: labor rights, environment, ethics, and procurement practices. Low-risk suppliers are assessed every three years, while medium- and high-risk suppliers are assessed biannually and annually. We expect prompt resolution of noncompliance, with corrective actions closely tracked for remediation.

Respecting human rights

The Medtronic Global Human Rights Framework is an overarching network of policies and due diligence that focuses on contributing to human welfare – recognizing the personal worth of our employees and maintaining good citizenship as a company by respecting the dignity of all people.

In addition to our Code of Conduct, Global Supplier Code of Conduct, and Responsible Minerals Policy, we communicate our expectations for human rights and labor standards through our:

- Global Anti-Human Trafficking and Forced Labor Policy – Outlines our commitment to a work environment free from human trafficking, slavery, unlawful child labor, and forced labor of any kind
- Global Human Rights and Labor Standards Policy – Guides how we conduct business to demonstrate respect for internationally recognized human rights and the dignity of all people

We actively monitor local, national, and international regulatory changes to keep our policies current and effective.

Respecting human rights across our value chain is a shared responsibility. Our Responsible Supply Management training equips our Global Supply Management employees to identify and address human rights risks, including human trafficking and modern slavery. We also offer the VYC Line for reporting potential human rights violations.

796

direct and indirect Tier 1 suppliers assessed for responsible supply chain management since FY18

145

employees trained on Responsible Supply Management in FY25

Responsible engagement

We engage in responsible marketing practices and ensure data privacy and security to protect information, strengthen trust, and adapt to an evolving digital landscape.

Marketing with integrity

Our approach to ethical responsibility extends to how we promote Medtronic products and interact with HCPs. We ensure responsible marketing practices across all social media communications, virtual interactions with customers, and promotion of Medtronic products through routine audits, monitoring, and investigations.

All Medtronic employees follow our sales and marketing standards outlined in our Code of Conduct and our Global Business Conduct Standards Policy, complemented by annual training on these topics. Additionally, employees receive training on our global advertising and promotion procedure and the process required for approving promotional materials. The procedure emphasizes the need to meet local and global regulatory requirements and substantiate all claims about our products and therapies, including claims related to environmental impact and greenwashing. Employees must adhere to industry codes of ethics and local regulations.

We collaborate with HCPs to accelerate patient access to therapies while ensuring ethical conduct, including disclosing payments to physicians and healthcare organizations to maintain integrity and prevent conflicts of interest. Key interactions with physicians include:

- Developing new devices and therapies
- Creating educational materials and campaigns
- Partnering on clinical research
- Providing training on our devices and therapies

Our privacy and security approach

Privacy and security training, our Global Cybersecurity program, and partnerships with stakeholders and security researchers ensure Medtronic stays at the leading edge of privacy and cybersecurity risk management. We provide high protection for all stakeholders by adhering to NIST Cybersecurity Framework, ISO/IEC 27001, and other internationally recognized standards such as the Health Insurance and Portability and Accountability Act (HIPAA) and the E.U. General Data Protection Regulation. We also meet local data privacy requirements where they are stricter than our Medtronic-wide standards. Our Audit Committee oversees cybersecurity risk, while our policies ensure the highest standards of security, including:

- Providing comprehensive security and privacy training to Medtronic employees
- Continuously scanning for cyber risks
- Assessing third-party partners
- Securing data with a suite of physical, technical, and administrative controls
- Expecting all our vendors to comply with our high standards
- Conducting due diligence for acquisitions

With regard to data breach reporting, we adhere to state, federal, and where applicable, international notification requirements.

Learn more

→ Our data hub, with information on GRI, SASB, TCFD, and other relevant standard and framework disclosures

Collaborating for change

Across a range of stakeholders, we amplify our impact by partnering with governments, communities, healthcare providers, and researchers to support progress and evidence-based policies that promote public health.

Influencing policy development

Around the world, we aim to help enhance healthcare access, quality, and efficiency through public policy initiatives and key strategies run by our teams in Government Affairs, Health Economics, Policy Reimbursement, and Regulatory Affairs. Together, we work with governments, industry peers, and other stakeholders to realize the potential of medical technologies in healthcare, including AI and other digital technologies. This includes enabling technology innovations, facilitating access to lifesaving therapies and devices, generating economic value for healthcare system stakeholders, promoting outcome-driven and value-based healthcare, and harmonizing and coordinating international regulatory requirements.

As a leader in healthcare technology, we advocate for policies addressing digital health issues such as device security, data privacy, research access, regulatory frameworks, and reimbursement. We also advocate for harmonization in global regulations, including those related to AI, emphasizing the importance of consistent standards across different regions. Additionally, our Medtronic political action committee (PAC) supports U.S. political candidates aligned with our values, ensuring transparency and compliance with disclosure laws.

Learn more

→ Our Political Contribution Policy

Advocating to unlock innovation

We advocate for policies and legislation that promote progress in healthcare. We engage in lobbying activity, such as lobbying for U.S. Medicare policies that cover innovative healthcare technology – especially those labeled as "breakthrough" by the FDA. This includes both regulatory actions, like Medicare's Transitional Coverage for Emerging Technologies Policy, and legislative efforts, such as congressional initiatives for breakthrough device coverage and reimbursements for AI-based technologies.

Joining forces to improve public health

When it comes to realizing our Mission, we recognize the endless value that comes from collaborating with diverse stakeholders to enhance access to quality, affordable healthcare. We partner strategically with others who share our commitment to overcoming healthcare challenges, including patients, physicians, health system administrators, policymakers, NGOs, governments, trade associations, and advocacy groups. Our employees also hold leadership roles in a range of industry organizations and associations.

Medtronic supports countries transitioning to universal healthcare (UHC), aligning with World Health Organization (WHO) findings linking UHC to poverty reduction and economic growth. We advocate for value-based healthcare policies globally, engage in G20 health discussions, and contribute to industry organizations like AdvaMed and MedTech Europe to promote innovation and sustainability in healthcare.

During FY25, we collaborated with the World Intellectual Property Association and the UN Technology Bank to produce a report on the current state of medical technology innovation and access in least-developed countries (LDCs). The report examines topics such as culture and capacity, relationships with the IP system, regulatory pathways, financing opportunities, and policy. Its assessments and conclusions aim to inform public policy development and identify opportunities to foster better access in LDCs. Learn more about the ongoing study.

In FY25, the United Nations Economic Commission for Europe (UNECE) launched a report on public–private partnerships (PPPs) in digital infrastructure. The report – which was prepared with support from Medtronic contributors and directly references aspects of our work – offers insights and recommendations for governments and policymakers on how to harness PPPs to best advance social infrastructure.

Endnotes

1 Due to the different standards used to identify topics in this report compared to the materiality or other standards applicable to reports filed in accordance with reporting regulations adopted by various governing authorities located around the world, including in the European Union (E.U.) and in the U.S. pursuant to rules of the U.S. SEC or various state laws and regulations (collectively, Other Reporting Standards), inclusion of topics identified in this report does not mean those topics must be included in reports prepared in accordance with Other Reporting Standards.

2 This is an equivalent rate, calculated by dividing the number of seconds in a year by the number of patients served by Medtronic in FY25.

3 On May 18, 2025, Medtronic announced its intent to separate the Diabetes business into an independent, stand-alone company. The separation is expected to be complete within 18 months of the announcement.

4 Revenue figures exclude approximately $50 million associated with historical operations and ongoing transition agreements from businesses the company has exited or divested, which primarily includes the company's ventilator product line and the Renal Care Solutions business.

5 See endnote 3.

6 Examples of major geographies include China, Europe, Japan, and the United States; this list is not exhaustive.

7 Our Scope 1 and 2 emissions intensity is measured as tCO_2e by net sales, as reported in our Form 10-K. The Scope 1 value is "net," referring to the allocation of approximately 65,000 purchased and retired carbon offsets during the reporting period — see our VCM Disclosures for more detail — and Scope 2 value is "market based." "Gross" Scope 1 emissions amounted to 178,817 tCO_2e, and Scope 2 location-based emissions amounted to 188,839 tCO_2e.

8 See endnote 6.

9 Total may not add up to due to rounding.

10 The validation study performance and time study results were projected onto 16,301 LINQ II™ patients to calculate the time saved per year in 200 LINQ II™ insertable cardiac monitors patients. Radtke A., Hall M. AccuRhythm™ AI AF & Pause Algorithms White Paper. April 2023. Medtronic data on file.

11 Data on file with Medtronic.

12 Wallace, M., Sharma, P., Bhandari, P., Moro, L., Repici, A., et al. Impact of Artificial Intelligence on Miss Rate of Colorectal Neoplasia. 2022 July;163 (1):295–304.e5.

13 The patient centricity index trend reflects a comparison to the updated index, as recalculated for Q2.

14 The goal covers the following products: transcatheter aortic valves and delivery systems, venous closure systems, spinal cord stimulation systems, Mazor Robot guidance systems, Signia™ handles, Puritan Bennett™ 980 ventilators, and diabetes NGP pumps and sensors. We are focusing on these product families because they represent strategic opportunities to positively influence complaint rate and patient experience through new product introductions and post-release changes. We continuously evaluate opportunities to reduce complaints and improve the patient experience. As opportunities are identified, we may expand the scope of this commitment in future years. This target is an aggregate percent reduction from FY20 to FY25. Therefore, annual progress toward this target prior to FY25 does not represent achieving or missing the target.

15 The use of the term "Field Corrective Action" is for clarity. The term "recall" is often interpreted as product retrieval, but actual product retrieval represents a small portion of the Field Corrective Actions.

16 Compared with a FY20 baseline.

17 See endnote 13.

18 A CVE Numbering Authority is an authorized entity with specific scope and responsibility to regularly assign CVE IDs and publish corresponding CVE Records.

19 Medical professionals reached through the healthcare capacity building process in 2025.

20 Hugo™ RAS is not approved in the U.S.

21 The Hugo™ ASCEND Training Pathway is only available outside of the United States in select geographies.

22 These include Degreed, Harvard ManageMentor™, LinkedIn Learning, Adeption, Cornerstone OnDemand, and Udemy.

23 The board of directors' Compensation Committee oversees executives' compensation. To learn more about executive compensation, see our Proxy Statement.

24 In FY24, we changed how we calculated participation rates to align with industry best practices. Prior to FY24, we only included submitted responses. In FY24, we included partial responses (i.e., employees who started the survey but did not submit).

25 These indices, which measure Medtronic employees' reported perceptions of inclusion and engagement, are reported as part of our global OHS. Source: Medtronic FY25 aggregate data.

26 Based on data from our OHS.

27 Excluding impact related to public relations/marketing, which we previously included, accounting for notably higher impact figures.

28 Total may not add up to 100% due to rounding.

29 Data shown is cumulative from April 14, 2014, to end of FY24.

30 Impact within cohort of patients that had a baseline and follow-up reading between August 1, 2023 and May 5, 2025.

31 See endnote 7.

32 See endnote 7.

33 Categories 3, 5, 13, and 15 have been deemed not relevant, and the figures provided are estimates derived from a GHG emissions inventory screening. Additionally, categories 8, 10, and 14 are not applicable to the company. Please refer to our CDP Corporate Disclosure to learn more.

34 See endnote 30.

35 Based on U.S. EPA data and a conservative estimate of 15,000 miles driven annually per vehicle.

36 Tri-Staple, spinal implants, and diabetes CGM pump packaging.

37 Lorentz B, Truby J, Tuff G. Powering Artificial Intelligence. A study of AI's environmental footprint – today and tomorrow. Deloitte. 2024.

38 As announced in August 2025, the composition of the Board of Directors' committees has been revised to include the newly established Growth and Operations Committees.

39 The risk score yielded by the algorithm is used to identify suppliers that require escalation to other sustainability programs.

40 See endnote 1.

41 Downloads of our responses to various impact-related frameworks, standards, and disclosures (e.g., GRI, ISSB, SASB and IFRS, TCFD, and WEF) can be found at our impact data hub.

About this report

The Medtronic 2025 Impact Report reflects key topics[40] in alignment with leading reporting frameworks and standards.[41]

Unless otherwise stated, all performance reporting covers our FY25, which was April 27, 2024, through April 25, 2025. Any restatements of information are noted in the relevant sections of the report. This report includes data from Medtronic plc and its consolidated subsidiaries. Operational GHG emissions, energy, and water data, and workplace occupational safety incident data, are from our manufacturing, distribution, large commercial, and office sites, and our R&D facilities. We have received external, third-party assurance for this data. The data coverage includes greater than 95% of all active operating sites. In some instances, reported data may be best estimated or rounded. All financial information is reported in U.S. dollars.

This report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which are subject to risks and uncertainties, including risks related to difficulties and delays inherent in the development and implementation of plans to achieve our environmental sustainability and social impact goals and objectives, government regulation and general economic conditions, and other risks and uncertainties described in our periodic reports. These reports are on file with the U.S. SEC, including our most recent Annual Report on Form 10K. In some cases, you can identify the forward-looking statements by words or expressions, such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “forecast,” “intend,” “looking ahead,” “may,” “plan,” “possible,” “potential,” “project,” “should,” “going to,” “will,” and similar words or expressions; the negative or plural of such words or expressions; and other comparable terminology. Actual results may differ materially from anticipated results. We do not update our forward-looking statements or any of the information contained in this report, including updates to reflect future events or circumstances.

The products referenced in this report may not be approved or available for sale for the referenced use in all geographies. See the product manual’s geographic-specific indications for use and risk/benefit information at manuals.medtronic.com.

To provide feedback or request further information, please email sustainability@medtronic.com.

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